

# AUDIT OFFICE OF GUYANA

Established on 2nd August 1884

Promoting Good Governance, Transparency and Improved Public Accountability



## Report of the Auditor General



on  
**The Public Accounts of Guyana  
and on the Accounts  
of Ministries/Departments/Regions  
for  
the Fiscal Year ended  
31 December 2015**



### Volume I



## *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>*

30 September 2016

Hon. Dr. Barton U. A. Scotland, C.C.H., M.P.  
Speaker of the National Assembly  
Parliament of the Co-operative Republic of Guyana  
Parliament Office  
Public Buildings  
Brickdam  
Georgetown.

Dear Mr. Speaker,

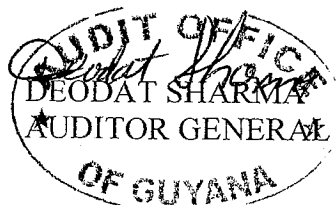
REPORT OF THE AUDITOR GENERAL TO THE NATIONAL ASSEMBLY  
ON THE PUBLIC ACCOUNTS OF GUYANA AND ON THE  
ACCOUNTS OF MINISTRIES, DEPARTMENTS AND REGIONS  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015

In accordance with Article 223(3) of the Constitution of the Republic of Guyana, I am pleased to submit the attached report on the Public Accounts of Guyana and on the Accounts of the Ministries, Departments and Regions for the fiscal year ended 31 December 2015.

The report is required to be laid before the National Assembly, and I would very much appreciate if this is done at the earliest opportunity.

With best regards.

Yours sincerely,



**This page was intentionally left blank**

## **MISSION STATEMENT**

As the Supreme Audit Institution of the State we are committed to the promotion of good governance including openness, transparency and improved public accountability through:

1. the execution of high quality audits of the public accounts, entities and projects assigned by the Audit Act;
2. timely reporting of the results to the legislature and ultimately the public;
3. ensuring that the independence, integrity and objectivity of the Audit Office is recognised;
4. the provision of cost effective service by the implementation of the most up-to-date Audit Practices;
5. the recruitment and retention of the best qualified personnel to achieve set targets, on a sustained basis; and
6. developing professional relationships with our clients, and producing reports which facilitate improvements in their operations.



**This page was intentionally left blank**

REPORT OF THE AUDITOR GENERAL  
ON THE PUBLIC ACCOUNTS OF GUYANA AND ON THE  
ACCOUNTS OF THE MINISTRIES, DEPARTMENTS AND REGIONS  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015

TABLE OF CONTENTS

	PAGE
Audit Opinion	i
Executive Summary	iv
 <b>Report on the Public Accounts Statements:</b>	
Introduction	1
End of Year Budget Outcome and Reconciliation Report (Revenue)	6
End of Year Budget Outcome and Reconciliation Report (Expenditure)	8
Receipts and Payments of the Consolidated Fund	14
Expenditure from the Consolidated Fund as compared with the Estimates of Expenditure	18
Expenditure in respect of those services which by Law are directly charged upon the Consolidated Fund	21
Receipts and Payments of the Contingencies Fund	22
Financial Reports of the Deposit Funds	25
Assets and Liabilities of the Government	28
Statement of Public Debt	30
Statement of Contingent Liabilities & Schedule of Government Guarantees	37
Issuance and Extinguishment of all loans	37
Appropriation Accounts of Heads of Budget Agencies	37
Receipts and Disbursements by Heads of Budget Agencies	37
Extra Budgeted Funds	37
Financial Reports of other Accounts Approved by the Minister	37
 <b>Report on the Accounts of Ministries/Departments/Regions:</b>	
Office of the Prime Minister	38
Ministry of Finance	42
Guyana Revenue Authority	57
Ministry of Foreign Affairs	88
Ministry of Presidency	91
Guyana Elections Commission	103
Ministry of Indigenous Peoples' Affairs	111

Ministry of Agriculture	124
Ministry of Tourism	130
Ministry of Tourism, Industry and Commerce	131
Ministry of Business	133
Ministry of Public Infrastructure	136
Ministry of Education	148
Ministry of Communities	163
Ministry of Public Health	173
Ministry of Culture, Youth and Sport	201
Georgetown Public Hospital Corporation	210
Ministry of Social Protection	216
Ministry of Legal Affairs	223
Guyana Defence Force	225
Ministry of Public Security	238
Ministry of Public Security (Guyana Police Force)	245
Region 1 - Barima/Waini	247
Region 2 - Pomeroun/Supenaam	256
Region 3 - Essequibo Islands/West Demerara	263
Region 4 - Demerara/Mahaica	269
Region 5 - Mahaica/Berbice	280
Region 6 - East Berbice/Corentyne	288
Region 7 - Cuyuni/Mazaruni	297
Region 8 - Potaro/Siparuni	307
Region 9 - Upper Takatu/Upper Essequibo	325
Region 10 - Upper Demerara/Berbice	336
Summary of Recommendations	346
<b>Report on Other Entities:</b>	
Audit of Public Enterprises	348
Audit of Statutory Bodies	350
Audit of Trade Unions	358
Audit of Neighborhood Democratic Councils	359
Audit of Foreign Funded Projects	360
Special Investigations	360
Performance Audits	361
Acknowledgements	361
Public Accounts Statements	362



## *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>*

### REPORT OF THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS OF GUYANA AND ON THE ACCOUNTS OF MINISTRIES, DEPARTMENTS AND REGIONS FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015

I have audited the Public Accounts of Guyana and the Appropriation Accounts and the Statement of Receipts and Disbursements of Ministries, Departments and Regions for the fiscal year ended 31 December 2015, as set out in pages 362 to 436 of Volume 1 and 1 to 305 of Volume II. My audit was carried out in accordance with Sections 24 and 25 of the Audit Act 2004.

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

The Ministry of Finance and the Heads of Budget Agencies are responsible for the preparation and fair presentation of these financial statements in accordance with the applicable Laws and Regulations, 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 International Federation of Accountants (IFAC), International Organisation of Supreme Audit Institutions (INTOSAI) and the various funding agencies. 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, I consider 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 the Ministry of Finance and the Heads of Budget Agencies, 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

Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the financial statements properly present:

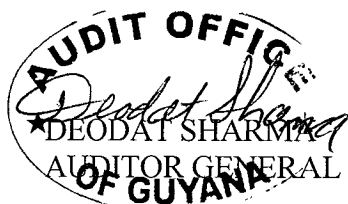
- End of Year Budget Outcome and Reconciliation Report of the Consolidated Fund;
- The financial information necessary to present fairly the financial transactions and financial position of the State;
  - Receipts and Payments of the Consolidated Fund;
  - Expenditure of the Consolidated Fund as compared with the Estimates of Expenditure;
  - Expenditure in respect of those Services which by Law are directly charged upon the Consolidated Fund;
  - Appropriation Accounts of Heads of Budget Agencies;
  - Receipts and Disbursements by Heads of Budget Agencies; and
- The Schedule of Public Debt.

for the fiscal year ended 31 December 2015.

Basis for Disclaimer of Opinion

Because of the significance of the comments as contained in the relevant sections of my report relating to the following statements, I am unable to form an opinion whether they properly present their respective state of affairs as at 31 December 2015:

- Receipts and Payments of the Contingencies Fund;
- Financial Reports of the Deposit Funds; and
- Assets and Liabilities of the Government.



30 September 2016

REPORT OF THE AUDITOR GENERAL  
ON THE PUBLIC ACCOUNTS OF GUYANA AND ON THE  
ACCOUNTS OF MINISTRIES, DEPARTMENTS AND REGIONS  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015

EXECUTIVE SUMMARY

This annual report provides a summary of the final audit results of the examination of the Public Accounts Statements and of the Accounts of the Ministries, Departments and Regions for the fiscal year ended 31 December 2015. Where necessary, reference is made to the accounts and transactions of prior or subsequent years. Information is also provided on other audits conducted on various entities (Statutory Bodies, Public Enterprises, Trade Unions and Projects funded by way of Foreign Loans or Grants), for which separate audit reports were issued.

This part of the report gives a summary of the major findings noted during the course of the audit of the accounts of the Ministries, Departments and Regions, and of the Public Accounts Statements for the fiscal year ended 31 December 2015, and on the status of my prior year recommendations.

Public Accounts Statements

Basis of Presentation

1. The Ministry of Finance has indicated that it has adopted the International Public Sector Accounting Standards (IPSAS), but is currently making its submissions using the Cash Basis approach. The adoption and use of the Cash Basis approach is the first step towards achieving the desired result, which is making submissions using the Accrual Basis of Accounting. This will be achieved in the long term and, as such, an incremental approach will be taken.

Current Revenue

2. There was a shortfall in current revenue collections for 2015 of \$741M, which is the net effect of lower than anticipated receipts on various categories of revenue including (i) Dividends from Non-Financial Institutions, (ii) Bank of Guyana Profits, (iii) Property Tax on Private Sector Companies, (iv) Corporation Tax on Private Sector Companies, (v) Property Tax Individuals, and (vi) Value Added Tax (VAT) on Domestic Services; and collections exceeding estimated revenue in categories such as (i) Property Tax on Public Sector Companies, (ii) VAT on Imports-Petroleum Products, and (iii) Sundries Receipts, which was due primarily to amounts unspent from Inter-Departmental Warrants that were refunded by the Ministry of Public Health.

### Capital Revenue

3. Capital revenue reflected a negative variance of \$5.575 billion, which were attributed primarily to Project loans that were below approved estimates on account of timing issues in the execution of some projects, delay in implementation of key infrastructure projects.

### Current Expenditure

4. Central Government's current expenditure was under the 2015 budget allocation by \$25.785 billion. This shortfall was mainly due to \$20.292 billion under Public Debt, for servicing of loans, which was not utilised, \$2.071 billion under GECOM for the hosting of Local Government Elections, which was not held, and \$1.267 billion under Ministry of Finance, \$280.101M under Ministry of the Presidency and \$658.406M under the Ministry of Health for activities not fully executed.

### Capital Expenditure

5. Central Government failed to achieve their anticipated levels of capital expenditure activities during 2015 with actual capital expenditure being approximately seventy-nine percent of the approved allotment of \$39.048 billion, resulting in a shortfall of \$8.452 billion. This shortfall was attributed primarily to delays in the implementation of key infrastructure projects. This unsatisfactory situation resulted in the return of disbursements totalling US\$5.300M, equivalent to G\$1.094 billion, which was requested by the Inter-American Development Bank from the loan agreements (i) Road Network Upgrade, and (ii) Expansion Program and Sustainable Operation of the Electricity Sector and Improved Quality of Service.

### Assets and Liabilities

6. With the exception of the new Consolidated Fund (Account №. 407), the net overdraft of \$12.276 billion shown as Central Government Accounts represented actual bank balances instead of general ledger/cash book balances. This was due primarily to the absence of reconciliations of a number of Government bank accounts.

7. The Non-Sub Accounting Ministries and Departments bank account № 3001 which is under the control of the Accountant General's Department reflected a balance of \$2.440 billion at the end of 2015. This represents an increase of 54 percent over the 2014 year-end balance of \$1.314 billion. The funds in this account which included the unspent amounts from Ministries, Departments and Regions, have still not been paid over to the Consolidated Fund. The Ministry of Finance explained that it has commenced the closure of the Bank Account 3001. It has taken a phased approach to this task since it is only prudent to allow a grace period of six months to allow for the en-cashing of unrepresented cheques. This period will elapse at the end of November.



8. The Monetary Sterilisation Account set up in 1993 to capture the proceeds from issues of medium term (i.e. 182 & 365 days) Treasury Bills, reflected a balance of \$66.249 billion as at 31 December 2015. However, the related balance in the Statement of Public Debt was \$66.948 billion, resulting in a difference of \$699M. This difference represents unpaid discounts to the Bank of Guyana, which included unexplained debits totalling \$839.195M and credits totalling \$140.341M, for which no documents were provided.

#### Financial Report of the Deposit Fund

9. The accuracy of \$1.174 billion shown as deposits held for investments on behalf of the Sugar Industry Labour Welfare Fund, the Sugar Industry Rehabilitation Fund and the Sugar Industry Price Stabilisation Fund and outstanding advances totalling \$13.326 billion as at 31 December, 2015, could not be verified; since, these entities were last audited for the respective years 2011, 1980, and 1980 and it was therefore not possible to use the entities' records as a basis of verifying the accuracy of the balances.

#### Receipts and Payments of the Contingencies Fund

10. During the period under review, amounts totalling \$799.898M were drawn from the Fund by way of twenty-three advances. However, it was disappointing to note that advances continued to be granted from the Contingencies Fund which did not meet the required criteria. In this regard, eleven advances totalling \$604.034M were granted from the Fund to meet routine expenditure.

#### Statement of Receipts and Payments of the Consolidated Fund

11. The reconciliations of a number of bank accounts recorded on the Statement of Receipts and Payments of the Consolidated Fund were not up-to-date. In addition, there are accounts where available moneys are not always transferred to the Fund. Moreover, a total of thirty-one Government bank accounts were rendered non-operational in 1994 and some at the time of implementation of the Integrated Financial Management and Accounting System (IFMAS) in 2004. As at 31 December 2015, a total of seven Government bank accounts with balances totalling \$200.441M were listed as inactive. The net accumulated balance of these accounts and other operational accounts (excluding the balances on the bank accounts of special projects) was negative \$1.167 billion as at 31 December 2015, as compared to a balance of \$8.224 billion as at 31 December 2014. This represents the best available estimate of the cash position of the Government as at 31 December 2015.

12. The amounts of US\$2M and US\$900,000 remained outstanding from the sale of the Guyana Stores Ltd and the National Paints Company, respectively. The Guyana Stores Ltd was privatized in October 2000 at a sale price of US\$6M, while the National Paints Company was privatized in July 1991 at a sale price of US\$1.150M. This matter is still engaging the attention of the Court.

### New Consolidated Fund

13. In January 2004, a new Consolidated Fund Bank Account (№ 01610000407) was established in accordance with Section 51 of the FMA Act with a transfer of \$5 billion from the old Consolidated Fund Bank Account № 01610000400. This new bank account was reconciled monthly and reflected an overdraft of \$42.679 billion as at 31 December 2015, while the cash book reflected an overdraft of \$53.788 billion. The difference of \$11.109 billion between the bank and cash book were due mainly to:

- (i) deposits of \$2.649 billion not yet debited to IFMAS,
- (ii) unrepresented cheques of \$16.877 billion,
- (iii) deposits of \$6.805 billion not yet credited to the bank account, and
- (iv) debit advices of \$1.624 billion not yet credited in IFMAS.

### Closure of Bank Accounts

14. Eighty-nine bank accounts were closed in 2015, and their balances amounting to \$2.008 billion were transferred into the new Consolidated Fund Bank Account.

### Procurement of Drugs and Medical Supplies

15. The Ministry of Public Health received eleven Inter-Departmental Warrants totalling \$890.585M from the ten Administrative Regions, for the procurement of drugs and medical supplies. However, only an amount of \$5.371M was expended on the acquisition of drugs and medical supplies for Region No. 6, leaving an unexpended balance of \$885.214M.

16. In addition, at the time of reporting, the Ministry of Public Health was still to receive drugs and medical supplies valued at \$370.580M, which were already paid for.

### Integrated Financial Management Accounting System

17. The Ministry of Finance is upgrading its Government Accounting System and indicated that the Purchasing and Fixed Assets Modules which formed part of the core modules under the current version which were never utilised will be implemented during the system upgrade. The project commenced during the first quarter of 2016 and training on the use of the upgraded system has commenced.

### Public Procurement Commission

18. At the time of reporting in September 2016, five members for the Public Procurement Commission were identified and approved by Parliament and are waiting to be sworn in.

### Guyana Revenue Authority

19. Only 14,164 of the 93,157 active self-employed persons filed Income Tax Returns, resulting in revenue collections totalling \$3.407 billion. In addition, thirty-six pieces of equipment and seventeen vehicles valued at \$370.859M with estimated taxes totalling \$89.691M were not found in five warehouses operated by one importer; whilst, there was no evidence that the equipment and vehicles were released by the Administration.

### Forensic Audits

20. The Ministry of Finance awarded forty-five contracts totalling \$135.576M to conduct Forensic Audits for various entities using the Single Source method of procurement in accordance with Section 28(b) of the Procurement Act, which states that "...the procuring entity may engage in single source procurement when the services by reason of their highly complex or specialized nature are available from only one source". Since the Ministry awarded forty-five contracts to eighteen consultants including accounting firms, it could be concluded that the services required were available from multiple sources and as such, the Single Source method of procurement should not have been used for the award of these contracts.

### Ministries, Departments and Regions

21. Recoveries of overpayments on contracts for prior periods were minimal. The number of occurrences increased and so did the value of overpayments on contracts, which was \$35.700M in 2015, when compared to \$31.315M in 2014. There was a fifty-two percent increase in the value of overpayments on net salaries and deductions in 2015 when compared to 2014. There were significant increases in 2015 as it relates to breaches of relevant legislation, especially the Fiscal Management and Accountability Act and the Stores Regulations. A substantial amount of items has also not been delivered, even though payments were made since 2015. A significant amount of the outstanding items relates to drugs, medical supplies, and equipment. Items had also not been supplied in relation to payments made in prior periods. There continued to be weak aspects of internal control systems, which would have contributed greatly to the aforementioned issues, among others.

### Overpayments on Contracts

22. Overpayments amounting to \$35.700M were made on measured works on thirty-one contracts administered by Ministries, Departments and Regions in 2015, which included amounts totalling \$19.934M that were overpaid for works on the Synthetic Track – Leonora, construction of Kitchen Mess Hall Building at Air Corps, Timehri, landfilling and concrete works at Student Dorms, Liliendaal and upgrading of the Aishalton Secondary Male and Female Dorms in Region No. 9.

23. Recoveries through repayments amounted to \$30.517M of the sum of \$407.512M overpaid on contracts that were awarded prior to 2015. This resulted in total overpayments amounting to \$376.995M still to be recovered at the end of 2015. Whilst some entities had made progress in recovering overpayments, others faced serious challenges. As stated in my 2014 Report, this continued trend, coupled with no evidence to suggest that disciplinary action of any kind had been meted out to engineering or other staff involved in the assessment of works in progress and the certification of progress payments is of concern, and hints at Management's perceived inaction/inability to remedy the current situation.

24. The following summarizes the findings in relation to some major Projects:

Highway Improvement - East Coast Demerara

25. Of the \$1.220 billion budgeted in 2015 under the Government of Guyana Highway Improvement, East Coast Demerara Road Project which commenced in 2011 and included the (i) upgrading of highway from Better Hope to Belfield; and (ii) supervision, only \$95.575M were expended on (a) Lot 6 - Mon Repos to De Endragt (\$33.912M), (b) Lot 7 - De Endragt to Good Hope (\$59.563M), and (c) purchase of highway improvement permit (\$2.100M).

26. No work was done to Lots 1 to 5, which were all at different stages of completion, with Lot 1 – Better Hope to Montrose being fifty percent (50%), Lot 2 – Montrose to La Bonne Intention: ninety-five percent (95%), Lot 3 – La Bonne Intention to Beterverwagting: eighty percent (80%), Lot 4 – Beterverwagting to Triumph: fifty percent (50%), and Lot 5 – Triumph to Mon Repos: ninety-seven percent (97%) completed.

27. The contract for Lot 1 was terminated by the Ministry on 31 July 2012, citing a breach in the contractual obligations contrary to Clause 15.6 "Corrupt or Fraudulent Practices" by the contractor, as recommended by the Attorney General. At the time of this report in September 2016, there was no evidence to confirm that the Ministry was able to recover the sum of \$81.570M, which represents the contractor's indebtedness based on a valuation at the time of termination in accordance with Clause 15.3 of the contract. The contractor has since sued the Government for wrongful termination of contract, and the matter is before the High Court.

28. The works completed on Lot 3 was \$157.663M; whilst, payments made to the contractor totalled \$278.346M, resulting in excess payments totalling \$120.683M, which were yet to be recovered by the Ministry. In addition, the works completed on Lot 4 was \$76.954M; whilst, payments made to the contractor amounted to \$209.603M, resulting in excess payments totalling \$132.649M, which were not yet recovered by the Ministry. Further, an amount of \$14.806M was still to be recovered in relation to an advance payment made under Lot 5.

### Highway Improvement - East Bank Demerara

29. The East Bank Demerara Four Lane Extension Project was separated and awarded in three Lots in 2011. As at September 2016, works on Lot 1 (Providence to Covent Garden) was still incomplete, even though the extended completion date for the works was 28 December, 2014. Works on Lot 2 (Vreed en Ruste to Prospect) and Lot 3 (Diamond) were practically completed, with minor remedial works being carried out to two sections of the western carriageway under Lot 2.

### Hope Canal

30. The project for the completion of an alternative outlet at Hope for the regulation of the East Demerara Water Conservancy comprised of twenty-eight components. At the time of reporting in September 2016, twenty-one of the twenty-eight components were practically completed; whilst, five were substantially completed. As at September 2016, amounts totalling \$3.525 billion were expended, with the sum of \$130.809M remaining outstanding on the estimated final project cost.

### Synthetic Track

31. The construction of the Synthetic Track and Field Facility - Phase 3 Lot 6, installation of Water Distribution Line and System and Phase 3 Lot 5, installation of Night Lighting System were completed. However, the contractor was overpaid the sums of \$4.767M and \$4.114M, respectively.

### Overpayment of Salaries and Deductions

32. The slow processing of pay changes directives in 2015 in four Ministries and eight Regions resulted in the overpayment of net salaries to staff and deductions to Agencies totalling \$10.803M. This represented an increase of \$5.642M or approximately fifty-two percent when compared to the overpayments totalling \$5.161M that were made in 2014. Whilst recoveries were made for salaries and deductions overpaid for the period 2010 to 2014, over \$34M remained outstanding as at 31 December 2015. Notwithstanding this, these entities continued to face serious challenges in recovering such sums, particularly because banking institutions require authorisations from account holders to do so and statutory agencies, such as, the Guyana Revenue Authority and National Insurance Scheme were not fully complying with requests to refund the sums overpaid.

### Cheque Order Vouchers

33. A number of Ministries, Departments and Regions continued to clear cheque order vouchers long after the stipulated time-frame of sixteen days. As of September 2016, 2,524 cheque orders totalling \$1.553 billion remained outstanding. This represented an increase of approximately \$3M when compared to the number of cheque orders outstanding at the time of reporting in September 2015. Of the sum currently outstanding, 1,096 cheque orders totalling \$675.446M were in relation to 2015, while the remaining 1,428 totalling \$877.704M were in relation to prior periods. It should be noted that 258 cheque orders amounting to \$139.984M for periods prior to 2015 were cleared. Failure to clear these financial instruments within the stipulated time-frame would bring into question whether value was received for all sums expended.

### Missing Payment Vouchers

34. One hundred and twenty-two payment vouchers valued \$250.227M were not produced for audit in 2015. As a result, it could not be ascertained whether value was received for the sums involved, and whether it has been used for the purposes intended.

### Non-delivery of Items

35. At the time of reporting, items valued \$83.199M were not yet delivered, even though payments were already made to the Suppliers. Included in this sum were items valued \$29.940M, which were in relation to 2014 and prior periods. The table below provides a summary of the outstanding items:

Ministry/Department/Region	Summary of Items	2015 Amount \$'000	Prior to 2015 Amount \$'000	Total \$'000
Ministry of the Presidency	Equipment	19,108	0	19,108
Ministry of Education	Equipment for Vocational	0	10,545	10,545
GPHC	X-ray cassettes	0	1,883	1,883
Ministry of Public Security	Balahoos, Equipment, etc.	15,499	7,542	23,041
Region № 1	Medical supplies, Equipment.	10,245	9,970	20,215
Region № 2	Equipment.	5,498	0	5,498
Region № 8	Office Equipment & Furniture.	2,909	0	2,909
<b>Total</b>		<b>53,259</b>	<b>29,940</b>	<b>83,199</b>

### Breaches of Legislation

36. There were significant breaches of legislation, especially as it relates to the following:

#### *Fiscal Management and Accountability Act*

37. The expenditure of the Government was overstated by a total of \$2.538 billion in respect of sixteen Ministries/Departments/Regions due to breaches of Section 43 of the Fiscal Management and Accountability Act. Included in the above overstatement is the sum of \$1.653 billion related to 1,784 cheques on hand at 31 December 2015. Of the cheques on hand, 946 amounting to \$1.282 billion were in respect of the Ministry of Public Health. The overstatement also included the sum of \$885.214M representing unspent balances on eleven Inter-Departmental Warrants issued to the Ministry of Public Health by the ten Administrative Regions, which were not credited to the respective Regions' Appropriation Accounts.

#### *Stores Regulations*

38. There were several breaches of the Stores Regulations, especially as it relates to the maintenance of stipulated records, including Stores Ledgers and Bin Cards, historical records for vehicles/equipment, and Master and Sectional Inventories, among others. Moreover, some records were poorly maintained, in that pertinent information was not recorded; whilst, others were not kept.

#### *Procurement Act*

39. The Procurement Act was breached by eleven Ministries/Departments/Regions, including, appointment of Tender Boards, and basis of award of contracts, among others.

#### *Information Communications Technology*

40. Of the nine thousand, six hundred and nine laptops paid for during 2015, and received in April 2016, one hundred and twenty-eight were issued during September 2016; whilst the difference of nine thousand, four hundred and eighty-one was still in stock. In addition, there were two thousand, nine hundred and fifty-nine damaged laptops on hand at the E-Governance Unit. A police report was still being awaited in relation to the one hundred and three stolen laptops previously reported.

#### *PetroCaribe Fund*

41. Compensation Agreements were entered into between the Bolivarian Republic of Venezuela and the Co-operative Republic of Guyana that provided for the cancellation of the oil debt in compensation for white rice and paddy under the Guyana/Venezuela Rice Trade Agreements. During 2015, there were cancellations in relation to the 2013 and 2014 shipments, which totalled US\$88.682M, equivalent to approximately \$18.313 billion, reducing the balance to \$24.970 billion as at 31 December 2015 compared to a balance of \$37.990 billion as at 31 December 2014, it should be noted that amounts totalling \$1.953 billion were transferred from the PetroCaribe Bank Account to the Consolidated Fund.

## Follow-Up on the Implementation of Prior Year Audit Recommendations

42. Each year, my Office issues recommendations to Ministries, Departments and Regions that are designed at improving systems and practices at these entities and improving the Government's governance and accountability mechanisms. Three hundred and ninety-seven recommendations were made in my 2014 Audit Report. We reviewed each recommendation to determine what action, if any, was taken by the respective Accounting Officers. At the time of reporting, 115 (29%) were partially implemented, while 223 (56%) were not implemented.

43. Overall, I am concerned with the lack of action towards the implementation of these recommendations; since, fifty-six percent of the recommendations have not yet been implemented. In addition, in many instances, recommendations are repeated each year without appropriate action and as a result, weaknesses and issues that impacted negatively on Government's governance and accountability mechanisms continue to occur. Once again, I encourage the Government, through the Ministry of Finance, the Accountant General's Department and the respective Head of Budget Agency to take appropriate actions and put measures in place to address the recommendations made in my prior report and this year as well.



REPORT OF THE AUDITOR GENERAL  
ON THE PUBLIC ACCOUNTS OF GUYANA AND ON THE  
ACCOUNTS OF MINISTRIES, DEPARTMENTS AND REGIONS  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015

INTRODUCTION

1. Articles 223(2) and 223(3) of the Constitution require that I audit the Public Accounts of Guyana and the accounts of all officers and authorities of the Government (including the Commissions established by the Constitution), the Clerk of the National Assembly, and all courts in Guyana and submit my Reports to the Speaker of the National Assembly (hereinafter referred to as the Speaker) who shall cause them to be laid in the National Assembly.

2. As the External Auditor of the Public Accounts of Guyana, it is my responsibility under Section 24 (1) of the Audit Act 2004 (hereinafter referred to as the Audit Act) to conduct (a) Financial and Compliance Audits, and (b) Performance and Value for Money (VFM) audits with respect to:

- i. the consolidated Financial Statements;
- ii. the accounts of all budget agencies;
- iii. the accounts of all local government bodies;
- iv. the accounts of all bodies and entities in which the State has a controlling interest; and
- v. the accounts of all projects funded by way of loans or grants by any foreign State or Organization.

3. Section 24 (2) states that in conducting financial and compliance audits, I shall examine in such manner as I deem necessary, the relevant financial statements and accounts, and ascertain whether:

- a. the financial statements have been properly prepared in accordance with applicable laws, and properly present the operations and affairs of the entity concerned;
- 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 revenues;
- 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 and the rules and procedures established and applied are sufficient to safeguard the control of stores and other public property.

4. Section 24(3) states that in conducting performance and value-for-money audits, I shall examine the extent to which a public entity is applying its resources and carrying out its activities economically, efficiently and effectively and with due regard to ensuring effective internal management control.

5. In addition, Section 74(1) of the Fiscal Management and Accountability Act 2003 (hereinafter referred to as the FMA Act) requires that I examine and report on the consolidated Financial Statements that are to be submitted to me in accordance with Sections 68 to 71 and 73 of the said Act. These consolidated Financial Statements consists of:

- (a) In respect of the Consolidated Fund, including each Fund that is considered to be part of the Consolidated Fund:
  - End of Year Budget Outcome and Reconciliation Report – Sections 68 and 73;
  - Statement of Contingent Liabilities – Section 73; and
  - Such other financial information relating to the fiscal year that the Minister of Finance deems necessary to present fairly the financial transactions and financial position of the State – Section 73.
- (b) Financial reports of the Extra-Budgetary Funds – Section 73;
- (c) Financial reports of the Deposit Funds – Section 73;
- (d) Financial reports of other accounts approved by the Minister of Finance – Section 73;
- (e) Schedule of Government Guarantees – Section 71;
- (f) Schedule of Public Debt Outstanding in the name of the Government, other levels of Government and Public Enterprises – Section 69; and
- (g) Schedule of the Issuance and Extinguishments of all Loans granted by the Government, other levels of Government and Public Enterprises – Section 70.

6. The Minister of Finance is required to submit the above statements within four months of the close of the fiscal year to enable me to audit them and to submit my Report thereon to the Speaker not later than the 30<sup>th</sup> September. As at 30<sup>th</sup> April 2016, the statements referred to above and the draft Appropriation Accounts were received. The signed consolidated Financial Statements were received on 23<sup>rd</sup> September 2016.

7. In accordance with Sections 68 to 71 and 73 of the FMA Act, the following statements were submitted to me for audit examination:

- (i) End of Year Budget Outcome and Reconciliation Report of the Consolidated Fund (Revenue) – Sections 68, 73(2)(a)(i);
- (ii) End of Year Budget Outcome and Reconciliation Report of the Consolidated Fund (Expenditure) – Sections 68, 73(2)(a)(i);
- (iii) Receipts and Payments of the Consolidated Fund – Section 73(2)(a)(iii);
- (iv) Expenditure of the Consolidated Fund as compared with the Estimates of Expenditure – Section 73(2)(a)(iii);
- (v) Expenditure in respect of those Services which by Law are directly charged upon the Consolidated Fund – Section 73(2)(a)(iii);
- (vi) Receipts and Payments of the Contingencies Fund – Section 41;
- (vii) Assets and Liabilities of the Government – Section 73(2) (a)(iii);
- (viii) Appropriation Accounts of Heads of Budget Agencies – Fiscal Management and Accountability Regulations 2004 (Appendix B);
- (ix) Receipts and Disbursements by Heads of Budget Agencies – Fiscal Management and Accountability Regulations 2004 (Appendix B);
- (x) Schedule of Public Debt – Section 69(1); and
- (xi) Financial Reports of the Deposit Funds – Section 73(2)(c).

8. In addition to reporting on the Public Accounts and the accounts of Ministries/Departments/Regions, I have also provided information with regard to the other areas for which I have audit responsibilities. These include the audits of public enterprises, statutory bodies, municipalities, local authorities, foreign-funded projects and special investigations.

9. In keeping with Section 27 of the Audit Act 2004, the relevant sections of this Report were discussed with Heads of Budget Agencies, the Finance Secretary and the Accountant General, who were also provided with individual written reports of my findings and recommendations. In addition, the responses of the Head of the Budget Agencies were incorporated in the respective sections of the report.

10. The National Assembly amend the FMA Act and Schedule to the Act. This Amendment to the Act was assented to on 5<sup>th</sup> August 2015 and resulted in the removal of eight Agencies from the Schedule as Budget Agencies as follows:

Agency Code	Agency
07	Parliament Office
09	Police Service Commission
	Public Service Commission
10	Teaching Service Commission
11	Guyana Elections Commission
55	Supreme Court of Judicature
57	Office of the Ombudsman
58	Public Service Appellate Tribunal

11. In addition, the National Assembly amended the Constitution which was assented to on 10<sup>th</sup> July 2015. This amendment was to the Third Schedule and created ten Constitutional Agencies. Of the ten Agencies, three are new and seven were from the eight which were removed as Budget Agencies from the FMA Act. The three new Constitutional Agencies are as follows:

Agency Code	Agency
56	Director of Public Prosecutions
60	Judicial Service Commission
62	Public Procurement Commission

12. It should be noted that the Director of Public Prosecution was not removed from the Schedule of the FMA as a Budget Agency.

13. In addition, the National Budget for the year 2015 was presented to the National Assembly with changes to several Ministries and Departments as follows:

Old Agency Code	Old Agency	New Agency Code	New Agency
01	Office of the President	05	Ministry of the Presidency
24	Ministry of Natural Resources and Environment		
14	Public Service Ministry		
16	Ministry of Amerindian Affairs	17	Ministry of Indigenous People's Affairs
23	Ministry of Tourism, Industry & Commerce	22	Ministry of Tourism
		25	Ministry of Business
31	Ministry of Public Works	32	Ministry of Public Infrastructure
41	Ministry of Education	40	Ministry of Education
44	Ministry of Culture, Youth & Sport		
13	Ministry of Local Government & Regional Development	42	Ministry of Communities
	45		
46	Georgetown Public Hospital Corporation	43	Ministry of Public Health
47	Ministry of Health		
48	Ministry of Labour, Human Services & Social Security	49	Ministry of Social Protection
51	Ministry of Home Affairs	54	Ministry of Public Security

## PUBLIC ACCOUNTS STATEMENTS

### END OF YEAR BUDGET OUTCOME AND RECONCILIATION REPORT (REVENUE)

14. The End of Year Budget Outcome and Reconciliation Report (Revenue) is shown on pages 362 to 364. This report shows negative variances of \$741M and \$5.575 billion between the estimates of revenue and the actual Government receipts for current and capital revenues, respectively, as shown below:

Description	2015 \$'000	2014 \$'000	2013 \$'000
<u>Current Revenue</u>			
Estimated Revenue	163,773,758	168,190,323	162,777,636
Actual Receipts	163,032,404	146,013,872	136,741,862
Over/(Under) the Estimates	(741,354)	(22,176,451)	(26,035,774)
<u>Capital Revenue</u>			
Estimated Revenue	21,450,594	39,081,522	45,465,982
Actual Receipts	15,875,699	17,298,574	29,969,497
Over/(Under) the Estimates	(5,574,895)	(21,782,948)	(15,496,485)

#### Current Revenue

15. There was a shortfall in current revenue collections for 2015 by \$741M. This shortfall was attributed mainly to:

- Lower than anticipated receipt on Dividends from Non-Financial Public Enterprises which totalled \$1 billion compared to the budgeted amount of \$2.002 billion. There was also lower than anticipated receipt of Bank of Guyana profits by \$687M compared to the estimated \$4.200 billion. However, this was compensated by Sundries under Miscellaneous Receipts, which exceeded the estimated \$3.364 billion by \$1.237 billion;
- Lower than anticipated receipt on Property Tax on Private Sector Companies, Corporation Tax on Private Sector Companies and Property Tax on Individuals which totalled \$1.094 billion, \$680M and \$555M compared to the budgeted amount of \$1.683 billion, \$26.349 billion and \$555M respectively. However, this was compensated by Property Tax on Public Sector Companies, which exceeded its estimated \$423M by \$2.189 billion; and
- Lower than anticipated receipt on Value Added Tax (VAT) on Domestic Services which totalled \$4.744 billion compared to the budgeted amount of \$18.108 billion. However, this was compensated by VAT on Imports-Petroleum Products which exceeded the estimated \$16.121 billion by \$3.235 billion.

16. It should be noted that the End of Year Budget Outcome and Reconciliation Report (Current Revenue) was overstated by amounts totalling \$890.585M reflected under Sundries-Miscellaneous Receipts. This represented amounts sent from the Regions to the Ministry of Public Health via Inter-Departmental Warrants to purchase Drugs and Medical Supplies which was unspent and refunded by the Ministry of Public Health.

*Ministry's Response:* The Ministry of Finance explained that the IFMAS module does not facilitate a transfer nor recognise the movement of revenue (in the case of balances on warrants) from one fiscal year to another. As such, the unspent balances on the MOPH warrants could not have been recognized as revenue miscellaneous but shown as finance revenue in the current year 2015. It should have been reflected as expenditure credit instead. The error is regretted.

Recommendation: The Audit Office recommends that the Ministry of Finance put systems in place to avoid a recurrence. (2015/01)

### Capital Revenue

17. Capital revenue reflected a negative variance of \$5.575 billion, which was attributed to Project loans being below approved estimates on account of timing issues in the execution of some projects including delay in awards, slow implementation and slow progress by contractor, among others. The table below details five instances which mainly resulted in the negative variance:

Description	Approved Estimate \$'M	Amount collected \$'M	Variance \$'M
IDB (Loan)	5,173	1,995	3,178
China	1,877	891	986
EU	952	231	721
CDF	790	626	164
IDB (Grant)	289	139	150
Total	9,081	3,882	5,199

18. Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the Statement as shown on pages 362 to 364 properly presents the End of Year Budget Outcome and Reconciliation Report (Revenue) for the year ended 31 December 2015.

END OF YEAR BUDGET OUTCOME AND RECONCILIATION REPORT  
(EXPENDITURE)

19. The End of Year Budget Outcome and Reconciliation Report (Expenditure) is shown on pages 365 to 380. This Report shows a savings on the Allotment of \$25.785 billion in relation to current expenditure and \$8.384 billion in relation to capital expenditure as shown below:

Description	2015 \$'000	2014 \$'000	2013 \$'000
<u>Current Expenditure</u>			
Approved Allotment	182,029,985	138,800,172	122,964,272
Actual Expenditure	156,244,693	137,252,164	125,701,481
Over/(Under) the Allotment	(25,785,292)	(1,548,008)	2,737,209
<u>Capital Expenditure</u>			
Approved Allotment	39,048,621	54,837,615	54,522,646
Actual Expenditure	30,664,886	51,013,623	50,144,201
Over/(Under) the Allotment	(8,383,735)	(3,823,992)	(4,378,445)
Total Approved Allotment	221,078,606	193,637,787	177,486,918
Total Expenditure	186,909,579	188,265,787	175,845,682
Net Over/(Under) the Allotment	(34,169,027)	(5,372,000)	(1,641,236)

CURRENT EXPENDITURE

20. Central Government current expenditure was under the 2015 Budget allocation by \$25.785 billion. It should be noted that this amount was overstated by amounts totalling \$890.585M which was sent from the Regions to the Ministry of Public Health via Inter-Departmental Warrants to purchase Drugs and Medical Supplies.

*Ministry's Response:* The Ministry of Finance explained that the IFMAS module does not facilitate a transfer nor recognise the movement of revenue (in the case of balances on warrants) from one fiscal year to another. As such the unspent balances on the MOPH warrants could not have been recognized as revenue miscellaneous but shown as finance revenue in the current year 2015. It should have been reflected as expenditure credit instead. The error is regretted.

*Recommendation:* The Audit Office recommends that the Ministry of Finance put systems in place to avoid a recurrence. (2015/02)



21. This outturn was mainly attributed to expenditure being significantly under the budgeted allocation as follows:

- i. \$2.071 billion under GECOM for the hosting of Regional Elections;
- ii. \$20.292 billion for Public Debt;
- iii. \$1.267 billion under Ministry of Finance;
- iv. \$284.380M under Ministry of the Presidency;
- v. \$673.963M under the Ministry of Public Health; and
- vi. \$473.613M under the Ministry of Foreign Affairs.

22. These amounts were offset mainly by the following:

- i. Contingency Fund Advance Warrant of \$410M to purchase military kits and equipment, rental of air, sea and land transportation, dietary supplies, repairs and maintenance of vehicles, security lighting and medical service for ranks of the Guyana Defence Force.
- ii. Contingency Fund Advance Warrant of \$102M for payment to the Caribbean Premier League by the Ministry of Tourism.
- iii. Contingency Fund Advance Warrant of \$81.500M for emergency purchases of pesticides for the coconut industries, emergency works due to countrywide flooding and security services for the Ministry of Agriculture.
- iv. Contingency Fund Advance Warrant of \$79.200M to purchase materials for installation of 6000 solar system by the Hinterland Electrification Inc, support and maintenance of the Border management system, furniture, vehicle and rehabilitation of female barrack room in the state house compound for the Ministry of the Presidency.
- v. Contingency Fund Advance Warrant of \$77.300M to clear increase in salaries and one-off tax-free payments for the Ministry of Education.

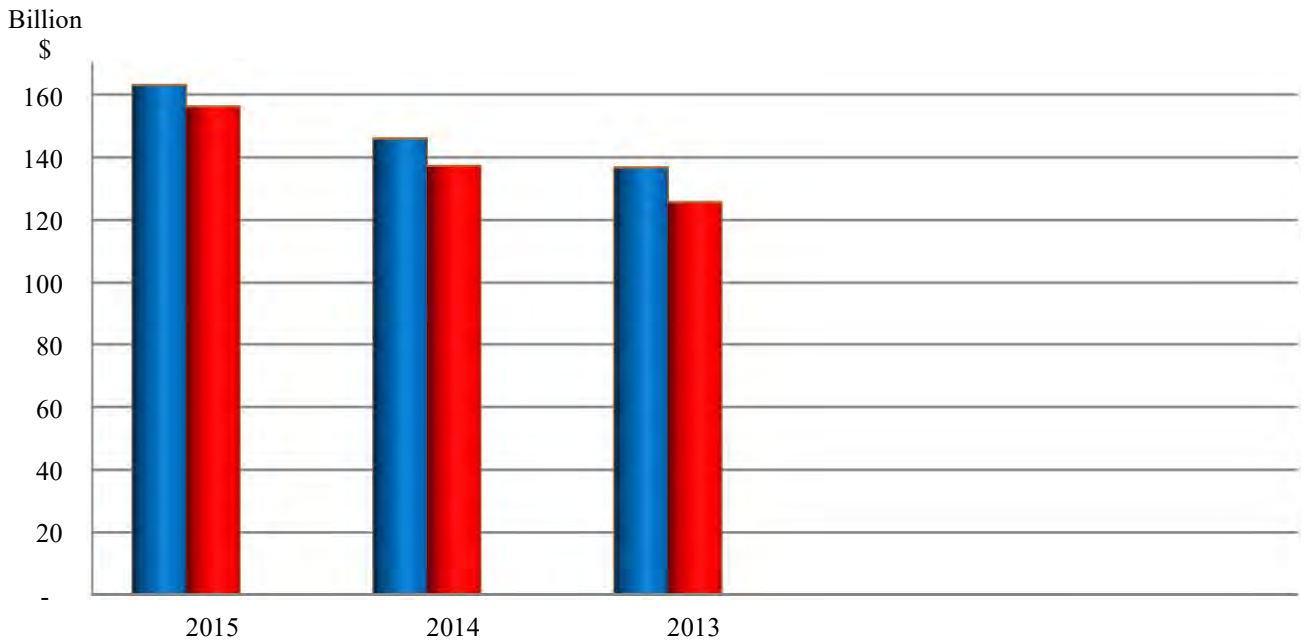
23. The reduction in expenditure under the Capital Budget resulted in Central Government's actual capital expenditure being approximately 79 percent of approved budget of \$39.048 billion. This was mainly as a result of:

- i. \$4.923 billion under the Ministry of Public Infrastructure;
- ii. \$1.519 billion under the Ministry of Communities;
- iii. \$434.564M under Regions 1 to 10;

- iv. \$381M under the Ministry of Education; and
- v. \$359M under the Ministry of Agriculture.

24. Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the Statement as shown on pages 365 to 380 properly presents the End of Year Budget Outcome and Reconciliation Report (Expenditure) for the year ended 31 December 2015.

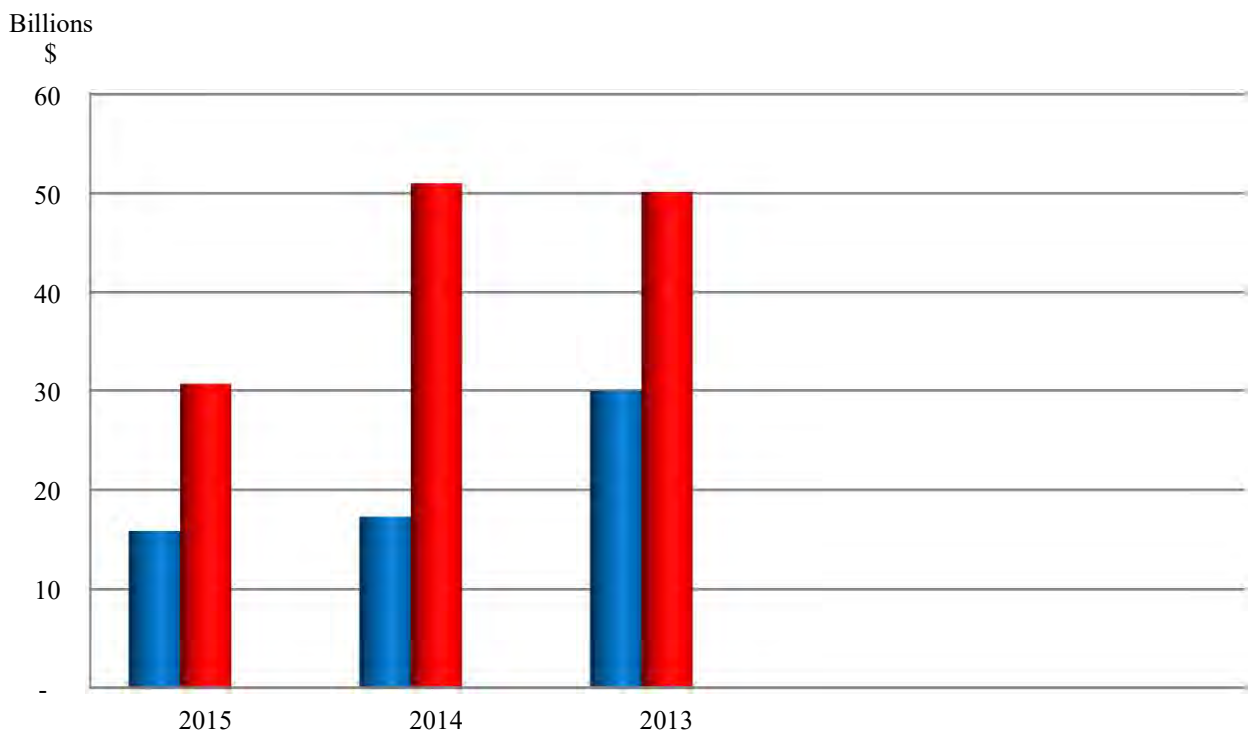
Comparisons between Current Revenue  
and Current Expenditure for the years  
2013-2015



	2015 \$'000	2014 \$'000	2013 \$'000
■ Current Revenue	163,032,404	146,013,872	136,741,862
■ Current Expenditure	156,244,693	137,262,163	125,701,481
Difference	6,787,711	8,751,709	11,040,381

**Figure 1**

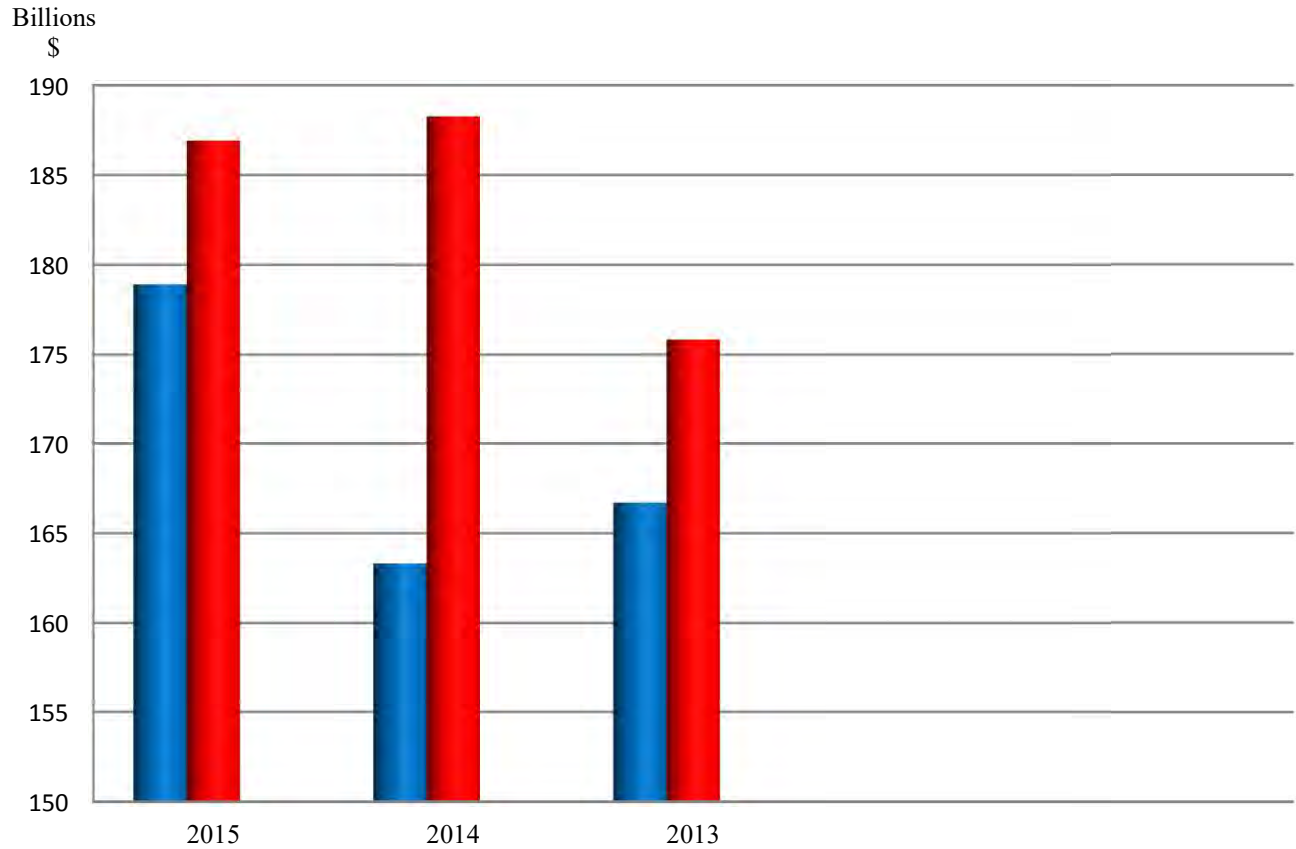
Comparisons between Capital Revenue and  
Capital Expenditure for the years  
2013-2015



	2015	2014	2013
	\$'000	\$'000	\$'000
<span style="color: blue;">■</span> Capital Revenue	15,875,699	17,298,574	29,969,497
<span style="color: red;">■</span> Capital Expenditure	30,664,886	51,013,623	50,144,201
Difference	(14,789,187)	(33,715,049)	(20,174,704)

**Figure 2**

Comparisons between Total Current  
and Capital Revenue and  
Total Current and Capital  
Expenditure for the years  
2013 - 2015



	2015	2014	2013
	\$'000	\$'000	\$'000
<span style="color: blue;">■</span> Total Revenue	178,908,103	163,312,446	166,711,359
<span style="color: red;">■</span> Total Expenditure	186,909,579	188,265,787	175,845,682
Difference	(8,001,476)	(24,953,341)	(9,134,323)

**Figure 3**

## FINANCIAL INFORMATION

### RECEIPTS AND PAYMENTS OF THE CONSOLIDATED FUND

25. In January 2004, a new Consolidated Fund № 01610000407 was established in accordance with Section 51 of the FMA Act with a transfer of \$5 billion from the old Consolidated Bank Account № 01610000400. This new bank account was reconciled monthly and reflected an overdraft of \$42.679 billion as at 31 December 2015, while the cash book reflected an overdraft of \$53.788 billion. The difference of \$11.109 billion between the bank and cash book were due mainly to:

- (i) Deposit of \$2.649 billion not yet debited to IFMAS.
- (ii) Unpresented cheques of \$16.877 billion.
- (iii) Deposits of \$6.805 billion not yet credited to the bank account.
- (iv) Debit advices of \$1.624 billion not yet credited in IFMAS.

26. A total of thirty-one Government bank accounts were rendered non-operational in 1994 and some at the time of implementation of the Integrated Financial Management and Accounting System (IFMAS) in 2004. As at 31 December 2015, a total of seven Government bank accounts with balances totalling \$200.441M were listed as inactive. The net accumulated balance of these accounts and other operational accounts (excluding the balances on the bank accounts of special projects) was negative \$1.167 billion as at 31 December 2015, as compared to a balance of \$8.224 billion as at 31 December 2014. This represents the best available estimate of the cash position of the Government as at 31 December 2015.

27. The following gives a breakdown of the bank balances in summarised form with comparative figures at the end of the preceding year:

Account №.	Description	Amount 2015 \$M	Amount 2014 \$M
407	Consolidated Fund (New)	(42,679)	(29,942)
400	Consolidated Fund (Old)	(46,776)	(46,776)
401	Deposit Fund	0	0
3001	Non-Sub Accounting Ministries/Departments	2,440	1,126
-	Other Ministries/Departments' Accounts	19,599	18,674
969	Monetary Sterilisation Account	66,249	65,142
Total		(1,167)	8,224

28. The table below summarises the bank balances of the old Consolidated Fund for the years 1992 to 2015.

- \$5M used from the old Consolidated Fund to create the new Consolidated Fund.
- During 2006 amounts totalling \$15.226 billion were transferred from the Deposit Fund, General Account and the Non-Sub Accounting bank account into the new Consolidated Fund. It should be noted that these amounts were taken out from the old Consolidated Fund.
- Amounts totalling \$2.008 billion which represents bank accounts closed during 2015 were deposited into the new Consolidated Fund.

29. If the amounts stated above were deposited into the old consolidated account, the overdraft would have reduced to \$24.542 billion.

Description	Amounts \$'M	Amounts \$'M
Balance as at 2015		(46,776)
Amount Used to create New Consolidated Account (407)	5,000	
Amounts transferred from the Deposit Fund and Non-Sub Accounting Ministries Bank Accounts to new Consolidated Fund	15,226	
Bank accounts closed in 2015 and transferred to New Consolidated Fund	2,008	
Total due to old Consolidated Fund (400)		22,234
Adjusted Balance as at 31 December 2015		(24,542)

30. Section 26 (3) of the Fiscal Management and Accountability Regulations 2004 states an official bank account shall not be overdrawn, nor shall any temporary advance be obtained from any financial institution without prior approval of the Minister. It should be noted that the overdraft in the new Consolidated Fund was \$42.679 billion at the end of December 2015 compared with \$29.942 billion at the end of 2014, an increase of \$12.737 billion.

31. The old Consolidated Fund bank account № 400 was not reconciled since February 1988. A cash book for the account was reconstructed for the period 1989 to 2003 in order to aid the reconciliation of this account. However, despite attempts by the Accountant General's Department to reconcile the monthly transactions on the account from January 1994, it was found that a proper reconciliation was still not done. In addition, the old Consolidated Fund continued to be overdrawn over the years. At the end of 1992, the overdraft on this account was \$26.823 billion, compared with an overdraft of \$44.434 billion at the end of 2003, a net increase of \$17.611 billion. In January 2004, a new Consolidated Fund was opened with a transfer of \$5 billion from the old Consolidated Fund. At the end of 2004, the overdraft of the old Fund was \$45.550 billion. There was no activity in this account during the years 2006, 2007, 2010, 2011 and 2012. There were movements in the account during the years 2005, 2008, 2009, 2013 and 2014 with a closing overdraft of \$46.776 billion as at 31 December 2015.

*Ministry's Response:* The Ministry of Finance explained that the reconciliation of the old 400 Consolidated Account has posed new challenges. A request was made for data from the Bank of Guyana from the year 1992 but there seems to be difficulty in accessing it from the bank's records. In the absence of this data, this reconciliation exercise seems futile. There are also gaps in the accounting records of the Accountant General's Department that will also impede the smooth flow of a reconciliation process.

*Recommendation:* The Audit Office recommends that the Accountant General's Department take the necessary steps to bring closure to this matter. (2015/03)

32. In 2006, amounts totalling \$15.226 billion were transferred from the Deposit Fund, General Account and the Non-Sub Accounting bank accounts to the new Consolidated Fund (Account № 407) instead of the old Consolidated Fund. Had these amounts been transferred to the old Consolidated Fund and the amount of \$5 billion that was used to open the new Consolidated Fund repaid, then the overdraft would have been reduced to \$26.550 billion at the end of 2015.

*Ministry's Response:* The Ministry of Finance is making all efforts to bring closure to the unreconciled position as at December 2003 of the old Consolidated Fund Bank Account №. 400.

*Recommendation:* The Audit Office once again recommends that the Accountant General's Department take the necessary steps to bring closure to this matter. (2015/04)

33. Section 34 of the Stores Regulations (1993) states "all gifts received shall be subject to normal store-keeping and received stores accounting procedures and the procedure set out in the regulations 16 to 19 inclusive shall apply. A Gift Register in Form 18 shall be maintained by the storekeeper, and the Permanent Secretary shall furnish the Secretary to the Treasury (now Finance Secretary), the Accountant General and the Auditor General information relating to all gifts received from time to time". Despite a circular from the Finance Secretary to all Heads of Budget Agencies that detailed the procedures to account for gifts, only some Budget Agencies adhere to the circular such as Ministry of Health and Georgetown Public Hospital Corporation. As a result, the amount of \$5.965 billion representing Miscellaneous Receipts as at 31 December 2015 was understated by an undetermined amount. In addition, examination of the Donations Register at the Guyana Elections Commission revealed that amounts of \$10.250M and \$8.970M were received from the Indian and Canadian Government respectively.

*Ministry's Response:* The Ministry of Finance will continue to verify the receipts of gifts and grants received by agencies with a view to identifying those agencies that are in default.

*Recommendation:* The Audit Office once again recommends that the Ministry of Finance adopt stringent measures to ensure that there is compliance with the Ministry of Finance's circular concerning the accounting for gifts. (2015/05)



Current Expenditure  
Procurement of Drugs and Medical Supplies for Region Nos. 1 to 10

34. Sums totalling \$968.698M were budgeted for the procurement of drugs and medical supplies under, Health Services Programmes - Line Item 6221 for Region Nos. 1 to 10 during 2015. As at 31 December 2015, amounts totalling \$967.390M were shown as having been expended by these Regions. Of this amount, sums totalling \$890.585M were transfer by way of Inter Departmental Warrants (IDWs) by the Regions to the Ministry of Public Health (MOPH) to be expended on the purchase of drugs and medical supplies while amounts totalling \$76.805M were expended by the Regions themselves. The warrants were verified as having been received by the Ministry of Public Health; however, the Ministry did not execute the warrants and failed to provide the Regions with Financial Returns to this effect as required. As a result, the Regions did not credit their appropriation accounts with the unspent amounts, resulting in the Appropriation Accounts being overstated by \$890.585M. The following sets out the details.

Regions	Date of Warrants	2015					2014
		Budget	Expenditure	Balance	IDWs to MOPH	Expend. by Regions	Expenditure by Region
		\$'000	\$'000	\$'000			\$'000
1	30.11.2015	43,395	42,164	1,231	40,000	2,164	1,879
2	07.12.2015	87,914	87,912	2	85,914	1,998	1,999
3	04.12.2015	168,208	168,208	0	162,532	5,676	5,676
4	08.12.2015	226,781	226,781	0	224,781	2,000	2,000
5	21.12.2015	77,878	77,878	0	74,500	3,378	2,600
6	14.12.2015	195,504	195,469	38	157,309	38,160	29,926
7	17.11.2015	25,726	25,714	12	22,000	3,714	2,749
8	07.12.2015	22,469	22,458	11	12,049	10,409	1,800
9	15.11.2015	22,001	21,984	17	21,500	484	1,759
10	09.12.2015	98,822	98,822	0	90,000	8,822	7,100
Total		968,698	967,390	1,311	890,585	76,805	57,488

35. Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the Statement as shown on pages 381 to 392 properly presents the Receipts and Payments of the Consolidated Fund for the year ended 31 December 2015.

EXPENDITURE FROM THE CONSOLIDATED FUND  
AS COMPARED WITH THE ESTIMATES OF EXPENDITURE (CAPITAL)

36. The Ministries and Regions listed below, failed to achieve their anticipated levels of capital expenditure activities during 2015 by \$8.452 billion as shown in the table below. Similar observations were made in my previous reports, which had affected nine Ministries.

Description	Total Funds Available \$'000	Actual Expenditure \$'000	Shortfall 2015 \$'000	Shortfall %
Ministry of Finance	3,972,895	3,843,693	129,202	3
Ministry of Presidency	2,568,660	2,393,970	174,690	7
Ministry of Agriculture	4,341,551	3,982,911	358,640	8
Ministry of Business	369,370	238,544	130,826	35
Ministry of Public Infrastructure	9,843,290	4,920,332	4,922,958	50
Ministry of Education	1,648,360	1,266,457	381,903	23
Ministry of Communities	4,349,481	2,765,310	1,584,171	36
Ministry of Public Health	648,904	516,131	132,773	20
Ministry of Public Security	686,027	483,489	202,538	30
Regions 1-10	2,116,829	1,682,265	434,564	21
Total	30,545,367	22,093,102	8,452,265	28

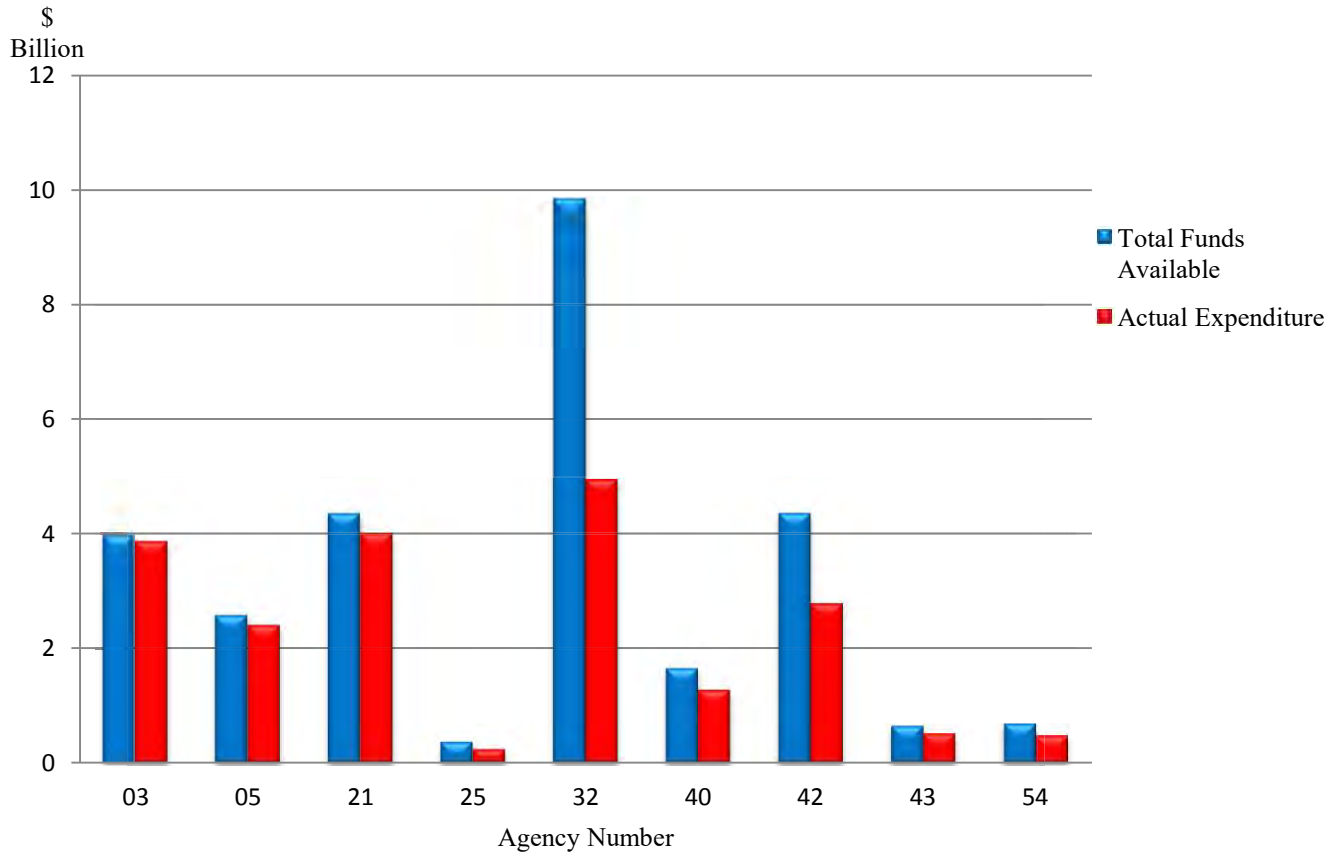
37. During the period under review, it was discovered that a significant number of Projects under various Ministries, Departments and Regions were either not undertaken or not completed in the year. As such, these projects were re-budgeted and permission granted where necessary for contracts to be rolled over. In addition, it should be noted that unspent amounts under the Ministry of Public Infrastructure may include portions of US\$4.400M and \$US900,000 that were disbursed on two loans and subsequently returned to IDB based on their request due to the non-performance on these two loans.

*Ministry's Response:* The Ministry of Finance will continue to advise all Heads of Budget Agencies to commence early preparatory work on bid documents so as to facilitate tendering with respect to the execution of capital works during the first quarter of each year. Also in 2014 there were issues that inhibited progress, such as delays in fulfilment of eligibility conditions, delay in tendering due to the design changes, poor contractors performance and ready availability of construction materials.

*Recommendation:* The Audit Office recommends that the Ministry of Finance encourage Heads of Budget Agencies to commence early preparatory work on bid documents so as to facilitate tendering with respect to the execution of capital works during the first quarter of each year, so that any problem or issues encountered can be detected within a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/06)

38. Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the Statement properly presents the Statement as shown on pages 393 to 402 of Expenditure from the Consolidated Fund as compared with the Estimates of Expenditure for the year ended 31 December 2015.

## Capital Expenditure Shortfall for the Ministries

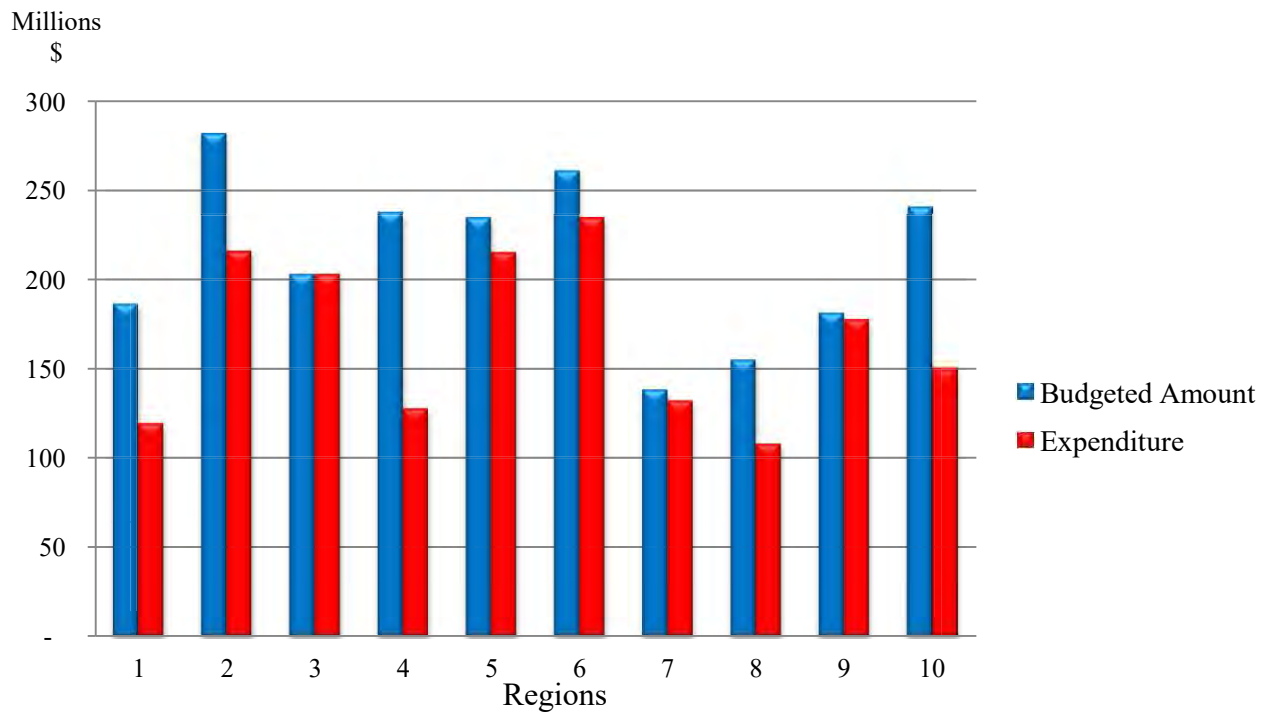


Agency Number	Description
03	Ministry of Finance
05	Ministry of the Presidency
21	Ministry of Agriculture
25	Ministry of Business
32	Ministry of Public Infrastructure
40	Ministry of Education
42	Ministry of Communities
43	Ministry of Public Health
54	Ministry of Public Security

**Figure 4**

### Capital Expenditure Shortfall for the Regions

Regions	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000	Shortfall %
1	186,097	119,190	66,907	36
2	281,340	215,675	65,665	23
3	202,775	202,765	10	0
4	237,387	127,474	109,913	46
5	234,591	215,022	19,570	8
6	260,620	234,540	26,080	10
7	138,084	132,063	6,021	4
8	154,719	107,772	46,947	30
9	180,959	177,442	3,517	2
10	240,257	150,323	89,934	37
Total	2,116,829	1,682,266	434,564	21



**Figure 5**

EXPENDITURE IN RESPECT OF THOSE SERVICES WHICH BY LAW  
ARE DIRECTLY CHARGED UPON THE CONSOLIDATED FUND

39. Expenditure in respect of those services, which by Law are directly charged upon the Consolidated Fund, otherwise known as Statutory Expenditure is shown on page 403, does not form part of the voted provisions approved by the National Assembly. Such expenditure includes repayment and servicing of the Public Debt, emoluments of holders of constitutional offices, and pensions and gratuities of public officers. The details provided for verification of this expenditure revealed that they were properly incurred.

Description	Wages and Salaries 2015 \$'000	Employment Overhead Expenses 2015 \$'000	Total Expenditure 2015 \$'000	Total Expenditure 2014 \$'000
Ministries and Departments	263,194	101,105	364,299	633,918
Pensions and Gratuities	3,346,491	0	3,246,491	3,234,360
Payments to Dependent's Pension Fund	77,804	0	77,804	42,804
Public Debt:				
Internal Principal	35,478	0	35,478	35,478
Internal Interest	1,789,583	0	1,789,583	1,544,927
External Principal	9,748,347	0	9,748,347	4,895,996
External Interest	3,519,111	0	3,519,111	3,281,672
Total	18,780,008	101,105	18,881,113	13,669,155

40. Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the Statement as shown on page 403 properly presents Expenditure in respect of those Services which by Law are directly charged upon the Consolidated Fund for the year ended 31 December 2015.

## RECEIPTS AND PAYMENTS OF THE CONTINGENCIES FUND

41. In accordance with Section 41 of the FMA Act, the Minister of Finance “may approve a Contingencies Fund Advance as an expenditure out of the Consolidated Fund by the issuance of a drawing right”. The criteria require the Minister, when satisfied that **“an urgent, unavoidable and unforeseen need for the expenditure has arisen -**

- (a) for which no moneys have been appropriated or for which the sum appropriated is insufficient;**
- (b) for which moneys cannot be reallocated as provided for under this Act; or**
- (c) which cannot be deferred without injury to the public interest....”.**

42. Where any advance is made, a supplementary estimate must be laid before the National Assembly as soon as is practicable for the purpose of properly authorising the replacement of the amount advanced.

43. According to the Statement of Receipts and Payments of the Contingencies Fund as shown on pages 404 to 405 amounts totalling \$799.898M were drawn from the Fund by way of twenty-three advances as shown in the table below:

Warrant No.	Date of Warrant	Ministry/Department/Region	Amount \$'000
1	12/2/2015	Ministry of Agriculture	49,000
2	12/23/2015	Ministry of the Presidency	10,757
3	12/23/2015	Ministry of the Presidency	8,438
4	12/28/2015	Ministry of the Presidency	3,000
5	12/28/2015	Ministry of the Presidency	19,153
6	12/29/2015	Ministry of the Presidency	37,870
7	12/29/2015	Ministry of Public Security	13,600
8	12/29/2015	Guyana Defence Force	120,000
9	12/29/2015	Guyana Defence Force	100,000
10	12/29/2015	Guyana Defence Force	120,000
11	12/29/2015	Guyana Defence Force	10,000
12	12/29/2015	Guyana Defence Force	60,000
13	12/29/2015	Ministry of Agriculture	24,470
14	12/29/2015	Ministry of Agriculture	8,104
15	12/29/2015	Office of the Prime Minister	11,000
16	12/29/2015	Region 3	3,000
17	12/29/2015	Region 3	1,500
18	12/29/2015	Region 3	3,051
19	12/29/2015	Region 8	3,428
20	12/29/2015	Region 8	3,225
21	12/31/2015	Ministry of Tourism	102,000
22	12/31/2015	Ministry of Education	77,304
23	12/31/2015	Region 2	11,000
Total Payments			799,898

44. For the period under review, it was disappointing to note that the Contingencies Fund was abused in that a total of eleven advances totalling \$604.034M were granted from the Fund to meet routine expenditure. Previous reports highlighted instances where the criteria were not fully met for the granting of some advances.

MIN/DEPT/REG.	DATE	WARRANT NO.	PURPOSE	AMOUNT \$'000
Agency 21: Ministry of Agriculture Programme 211-Ministry Administration	2/12/2015	1	Introduction of a new chemical for the control of the Red Palm Mite in the coconut industry.	49,000
Agency 05: Ministry of the Presidency Programme 051- Policy Development and Administration	23/12/2015	2	Acquisition of furniture, Restoring Panasonic Hybrid PBX and fire alarm system.	10,756
Agency 05: Ministry of the Presidency Programme 051- Policy Development and Administration	28/12/2015	6	This sum was expended for the purchase of cables, switches etc. for the installation of 6000 solar system.	37,870
Agency 53: Guyana Defence Force Programme: 6294	29/12/2015	8	Purchases of Kit and Equipment for Exercise GREEN HEART and continued payment for medical services for Officers and Ranks.	120,000
Agency 53: Guyana Defence Force Programme: 6292	29/12/2016	9	Dietary- to provide adequate feeding of troops for routine and exercise GREEN HEART due to strength increase.	100,000
Agency 53: Guyana Defence Force Programme: 6265	29/12/2015	10	Payment to contractors- for the rental of air, sea and land transportation.	120,000
Agency 53: Guyana Defence Force Programme: 6255	29/12/2015	11	Payment for Security light for training area and maintenance of swimming pool for training of Officers and Ranks.	10,000
Agency 53: Guyana Defence Force Programme: 6264	29/12/2015	12	Repairs and maintenance of Vehicles for continued mobility of the Force.	60,000
Agency 21: Ministry of Agriculture Programme 211-Ministry Administration	29/12/2015	14	The funds requested are to honor security obligation under existing contracts to the service security providers. Shortfall resulted from the approval of insufficient funds to cover these contracts.	8,104
Agency 02: Office of the Prime Minister Programme- Government Information Agency	29/12/2015	15	Payment to Guyana National Newspapers Limited.	11,000
Agency 40: Ministry of Education Programme- University of Guyana (Turkeyen and Tain)	31/12/2015	22	To clear increase in salaries and one-off tax-free payments.	77,304
Total				604,034



*Recommendation:* The Audit Office once again recommends that the Ministry of Finance adopt stringent measures to ensure that there is compliance with Section 41 of the FMA Act concerning the criteria for the granting of advances from the Contingencies Fund. (2015/07)

45. During 2015, all Contingencies Fund advances in relation to 2011, 2012 and 2014 were cleared by the National Assembly via Financial Paper No. 1/2015 dated 30 December 2015, while, Contingencies Fund Advances issued during 2015 were cleared by the National Assembly via Financial Paper No. 3/2015 dated 30 June, 2016.

46. In the view of the foregoing observation, the completeness, accuracy and validity of the amounts shown in the Statement of Receipts and Payments of the Contingencies Fund as shown on pages 404 to 405 for the year ended 31 December 2015 made in pursuance of Section 41 of the FMA Act, could not be satisfactorily determined.

### FINANCIAL REPORT OF THE DEPOSIT FUND

47. Section 42 of the FMA Act states that the Minister may establish one or more Deposit Funds into which public monies shall be paid pending repayment or payment for the purpose for which the monies were deposited. It was noted that amounts totalling \$748.451M were paid from the Fund during the year, utilizing the relevant deposit fund ledger accounts. Quarterly reconciliation was conducted and balances monitored. The Financial Report of the Deposit Fund for the year ended 31 December 2015 is shown on page 406.

48. In addition, the old Deposit Fund Account № 401, from which amounts totalling \$1.955 billion and \$55M were transferred to the new Consolidated Fund in 2006 and 2010 respectively, reflected a Nil balance in 2012 and was closed as at 31 December 2013. However, we were unable to determine the details of the amounts transferred from this account due to a gap of fourteen years in financial reporting covering the period 1982 to 1995, and the Ledgers relating to the fund not being written up since September 1987. As such, the amounts recorded as deposits and transferred from this account were based on submissions by Ministries, Departments and Regions.

*Ministry's Response:* The Ministry of Finance explained that this matter has not been resolved since the requisite manual records were maintained at the various Agencies during the period prior to 2004. Whatever information was provided by those agencies in relation to figures for the opening balances in the Deposits Fund was acted upon in January, 2004.

*Recommendation:* The Audit Office once again recommends that the Ministry of Finance undertake to establish a Deposit Fund in accordance with the requirement of the FMA Act. (2015/08)

49. The Audit Office was also unable to verify the accuracy of \$1.174 billion as deposits held for investments on behalf of the Sugar Industry Labour Welfare Fund, the Sugar Industry Rehabilitation Fund and the Sugar Industry Price Stabilisation Fund as shown in the table below. These entities were last audited for the respective years 2011, 1980, and 1980, respectively. It was therefore not possible to use the entities' records as a basis of verifying the accuracy of the balances.

Type of Deposit	Amount 2015 \$'000	Amount 2014 \$'000	Amount 2013 \$'000	Amount 2012 \$'000	Amount 2011 \$'000
Sugar Industry Labour Welfare Fund	1,087,705	1,166,859	1,278,832	1,213,974	1,253,467
Sugar Industry Rehabilitation Fund	72,432	72,432	72,432	72,043	72,043
Sugar Industry Price Stabilization Fund	14,033	14,033	14,033	87,326	87,326
Total	1,174,170	1,253,324	1,365,297	1,373,343	1,412,836

*Ministry's Response:* These entities have a responsibility to present their Financial Statements for auditing. The dependency on them to prepare their statement would be a sound basis for the Ministry of Finance to verify the figures reflected against the entities.

*Recommendation:* The Audit Office once again recommends that the Head of Budget Agencies take urgent steps to have these entities bring their accounts up to date and submit same for audit examination. (2015/09)

50. Prior to 2004, the records at the Accountant General's Department were not maintained in a manner to adequately monitor or control advances granted from the Deposit Fund. In addition, it was not possible to easily ascertain the value of advances issued or outstanding as at 31 December 2003. As a result, the amount of \$13.326 billion representing advances outstanding as at 31 December 2015 could not be substantiated. However, it was noted that monthly reconciliations were done between the agencies and the Ministry of Finance using the information provided by IFMAS and the agencies' records.

*Ministry's Response:* The Ministry of Finance explained that with the advent of the IFMAS in 2004 all reconciliations have been timely and accurate, as such, balances in the Deposits Fund as at the end of 2015 can be substantiated. In the absence of records prior to January 2004 the Ministry of Finance continues to rely on the agencies records to facilitate reconciliations.

*Recommendation:* The Audit Office once again recommends that the Ministry makes a concerted effort to reconcile the advances granted prior to 2004 and to submit the results for audit scrutiny. (2015/10)

Description	Amount 2015 \$'000	Amount 2014 \$'000	Amount 2013 \$'000
<u>Types of Deposit</u>			
Dependents Pension Fund	990,175	653,631	633,714
Sugar Industry Welfare Committee	50,691	50,691	50,691
Sugar Industry Labour Welfare Fund	1,087,705	1,166,859	1,278,832
Sugar Industry Rehabilitation Fund	72,432	72,432	72,432
Sugar Industry Price Stabilization Fund	14,033	14,033	14,033
Miscellaneous	3,931,045	4,936,886	4,626,188
Total	6,146,081	6,894,532	6,675,890
<u>Types of Advance</u>			
Personal	14,024	12,255	14,327
Gratuity	1,162,001	938,531	1,032,361
Auto Advance	127,447	122,926	124,968
Guyana Gold Board	8,650,148	8,650,148	8,650,148
Imprest & Cash on Hand	1,207,697	877,550	892,275
Deposit Fund Advance Warrants	208,410	208,410	208,410
Crown Agents	401,831	395,427	391,906
Statutory and Other Bodies	1,554,456	1,554,456	1,554,456
Total	13,326,014	12,759,703	12,868,851

51. Examination of the Financial Report of the Deposit Fund revealed the following:

- No supporting documentation was submitted for audit for amounts totalling \$3.931 billion which relates to miscellaneous deposits.
- Advances in relation to Deposit Fund Advance Warrants and Statutory and Other Bodies remained static for the period 2013 to 2015.

52. In the view of the foregoing observations, the completeness, accuracy and validity of the amounts shown in the Financial Report of the Deposit Fund as shown on page 406 for the year ended 31 December 2015 made in pursuance of Section 42 of the FMA Act, could not be satisfactorily determined.

## STATEMENT OF ASSETS AND LIABILITIES OF THE GOVERNMENT

53. The assets and liabilities of the Government comprised mainly cash and bank balances and cash equivalents, as well as short-term liabilities usually in the form of advances from the bank by way of overdrafts as well as the issue of Treasury Bills. Article 216 of the Constitution establishes the Consolidated Fund, whilst Section 41 of the FMA Act, pursuant to Article 220 of the Constitution, establishes the Contingencies Fund as a sub-fund of the Consolidated Fund. In addition, the Deposit Fund was established by Section 42 of the FMA Act. The balance sheets of these funds at the end of the year would normally comprise the assets and liabilities of the Government.

54. The Statement of Assets and Liabilities of the Government for the year ended 31 December 2015, is summarised as follows:

	2015 \$'M	2015 \$'M
<u>Assets</u>		
Central Government Accounts	(12,276)	
LIS 11 Bank Account	0	
WSG Bank A/c – Loan	41	
Cash at Bank of Guyana in respect of special accounts (2000 Series)	11,483	
Cash at Bank of Guyana in respect of Redemption of Treasury Bills Account	0	(752)
<u>Less: Liabilities</u>		
Treasury Bills		
90 days	8,398	
182 & 365 days	66,948	
	75,346	
Sugar Industry Welfare, Labour, Rehabilitation & Price Stabilisation Funds	1,174	
Miscellaneous Deposits	3,931	
Dependants' Pension Fund and Sugar Industry Welfare Committee	1,041	
		81,492
Net Liability		82,244

55. The sum of negative \$12.276 billion shown as Central Government Accounts represented actual bank balances instead of ledger/cash book balances, with the exception of the new Consolidated Fund (Account №. 407). This was due primarily to the absence of reconciliations of a number of Government bank accounts. The following table gives a breakdown with comparative figures at the end of the preceding year:

Account №	Description	Amount 2015 \$'M	Amount 2014 \$'M
407	Consolidated Fund (New) (Cash book balance)	(53,788)	(47,263)
400	“ “ (Old)	(46,776)	(46,776)
3001	Non-Sub Accounting Min/Dept	2,440	1,126
-	Other Ministries/Departments' Accounts	19,599	18,674
969	Monetary Sterilisation Account	66,249	65,142
Total		(12,276)	(9,097)

56. Prior to 2004, funds were released from the Consolidated Fund into the Non-Sub Accounting Ministries and Departments' bank account № 3001. This account, which is under the control of the Accountant General's Department, reflected a balance of \$2.440 billion at the end of 2015. The funds in this account included the unspent amounts from Ministries, Departments and Regions that had not been paid over to the Consolidated Fund over the years.

*Ministry's Response:* The Ministry of Finance explained that it has commenced the closure of the Bank Account №. 3001. It has taken a phased approach to this task since it only prudent to allow a grace period of six months to allow for the encashing of unrepresented cheques. This period will elapse at the end of November. Should there be any unrepresented cheques after then, the account will be closed and they will be transferred to the Deposit Fund.

*Recommendation:* The Audit Office once again recommends that the Ministry of Finance conduct a review to facilitate the transfer of these balances to the Consolidated Fund Account. (2015/11)

57. The Monetary Sterilisation Account, set up in 1993 to capture the proceeds from issues of medium term (i.e. 182 & 365 days) Treasury Bills, reflected a balance of \$66.249 billion as at 31 December 2015. However, the related balance in the Statement of Public Debt was stated as \$66.948 billion, resulting in a difference of \$699M. This difference represents unpaid discounts to the Bank of Guyana. Included in this difference were unexplained debits totalling \$839.195M and credits totalling \$140.271M for which no documents were provided.

*Ministry's Response:* The Ministry of Finance indicated that a reconciliation of records between the Ministry of Finance and that of the Bank of Guyana is currently in progress.

*Recommendation:* The Audit Office recommends that the Ministry of Finance works assiduously to bring closure to this matter. (2015/12)

58. In view of the foregoing observations, I am unable to form an opinion whether the Statement as shown on pages 407 to 413 properly presents the Assets and Liabilities as at 31 December 2015.

59. It should be noted that the Government continues to operate on a cash basis and has not adopted or implemented the International Public Sector Accounting Standards (IPSAS). These standards requires accrual basis of accounting with full consolidation of all Government agencies, including Public Enterprises and Statutory Bodies which are reliant on the state for assistance, to present a full and true financial position of the Government. The implementation of these Standards will enhance the quality, consistency and transparency of Public Sector Financial reporting leading to better informed assessments of the resource allocation decisions made by Government, thereby increasing transparency and accountability. Despite my previous recommendation, the Government has failed to implement this “best practice” in financial reporting and stewardship of public finances.

*Ministry’s Response:* The Ministry of Finance has indicated that it has adopted the International Public Sector Accounting Standards (IPSAS) but is currently making its submissions along the Cash Basis IPSAS approach. With the adoption of the Cash Basis approach, this is the first step towards achieving the desired end which is making submissions along the Accrual Basis of IPSAS but that is in the long term and as such incremental approach will be taken.

*Recommendation:* The Audit Office recommends that the Ministry of Finance works assiduously to fully implement Accrual Basis IPSAS. (2015/13)

#### SCHEDULE OF PUBLIC DEBT

60. In accordance with Article 221 of the Constitution, the Public Debt of Guyana and the servicing of that Debt are a direct charge on the Consolidated Fund. In addition, Section 3(1) of the External Loans Act, Chapter 74:08 of the Laws of Guyana, as amended by Order № 31 of 1991, authorises the Government to raise loans outside of Guyana not exceeding \$400 billion. Section 3(6) of the said Act also requires all agreements relating to such loans to be laid before the National Assembly as soon as practicable after the execution of such agreements. During 2015, six loans agreements were entered into, which amounted to \$14.581 billion. However, one loan totalling \$5.293 billion was not laid in the National Assembly during 2015. Nevertheless, five of the six loans totalling \$9.288 billion and their related agreements were laid in the National Assembly during the year 2015. See table below:

No.	Date of Agreement	Loan Ref.	Donor Agency	Description of Loan	Currency	Amount \$'000	Amount G\$'000	Date laid in National Assembly
1	29.12.15	5753-GY	IDA	Additional Finance for University of Guyana Science and Technology Support Project	SDR	2,700	775,293	26.2.16
2	26.05.15	9 SFR -OR- GUY	CDB	Sugar Industry Mechanization Project	USD	7,500	1,548,750	22.10.15
3	19.02.15	3369 – BL- GY	IDB	Citizen Security Strengthening Programme	USD	15,000	3,097,500	22.10.15
4	19.02.15	3422- BL-GY	IDB	Environment Sector Strengthening - II	USD	17,160	3,543,540	22.10.15
5	11.11.15	GUY/L0001 – Amendment No.2	CDF	Guyana CDF Farm Access Road Project	USD	1,564	322,966	17.12.15
6	Draft Sales Contract	-	Venezuela	Oil shipment to Guyana	USD	25,634	5,293,421	Not Laid
Total							14,581,470	

*Ministry's Response:* The Ministry of Finance explained that this loan will be taken to Parliament to be laid in the National Assembly shortly.

*Recommendation:* The Audit Office recommends that all loan agreements be laid in the National Assembly in a timely manner. (2015/14)

61. The reported Public Debt as shown on pages 414 to 434 as at 31 December 2015 (i.e. debts which are required to be serviced out of the Consolidated Fund only and which do not include those of Bank of Guyana and parastatal entities) is summarised below:

Description	External G\$'000	Internal G\$'000	Total 2015 G\$'000	Total 2014 G\$'000
Unfunded	232,096,692	38,641,132	270,737,824	283,103,688
Funded	0	3,898,537	3,898,537	3,898,537
Treasury Bills (90 days)	0	8,884,450	8,884,450	6,997,450
(182 & 365 days)	0	68,552,150	68,552,150	67,148,100
Total	232,096,692	119,976,269	352,072,961	361,147,775

62. As can be noted, the total Public Debt stood at G\$352.073 billion or the equivalent of US\$1.705 billion at the end of 2015, as compared with G\$361.148 billion or US\$1.749 billion at the end of 2014, representing a decrease of G\$9.075 billion or US\$44M at the end of 2015. This decrease was mainly due to (a) the debt compensation of US\$88.682M, (b) repayments totalling US\$47.207M and (c) movement of exchange rates. Expressed as a factor of Current Revenue (\$163.032 billion), the total Public Debt at the end of 2015 was 2.2 times current revenue, compared with a factor of 2.5 at the end of 2014 and 2.8 at the end of 2013.

#### Other Matters

63. There were two Loan Agreements for the Road Network Upgrade and Expansion Program and Sustainable Operation of the Electricity Sector and Improved quality of Service, where the Inter-American Development Bank had requested the return of unspent balances totalling US\$5.300M from loan disbursements made during the period 2011 to 2015. Based on the request amounts totalling US\$5.300M was paid to the Inter-American Development Bank during the period under review. The details are as follows:

- Loan Contract No. 2741/BL-GY-Road Network Upgrade and Expansion Program dated 15 March 2013 with an expiration date of 15 March 2018. Loan financing amounted to US\$66.200M which was made up of ordinary capital financing (US\$33.100M) and fund for special operations financing (US\$33.100M). Disbursements as at 31 December 2014 amounted to US\$5.810M. The IDB on the 22 May 2015 requested the Permanent Secretary of the then Ministry of Public Works to return US\$4.400M, since the project did not advanced as planned. The Ministry requested Bank of Guyana on the 27 May 2015 to transfer US\$4.400M to IDB bank account. This transaction was verified on the IDB and the Public Debt Statements. Further, it should be noted Credit Fees of 0.75% per annum is charged on the undisbursed amount of the ordinary capital financing portion of the loan amount. As a result, amounts totalling US\$182,630.27 were paid as Credit Fees as at 31 December 2015.



- Loan Contract No. 2567/BL-GY-Sustainable Operation of the Electricity Sector and Improved quality of Service dated 23 September 2011 with an expiration date of 23 March 2017. Loan financing amounted to US\$5.00M which was made up of ordinary capital financing (US\$2.500M) and fund for special operations financing (US\$2.500M). Disbursements as at 31 December 2014 amounted to US \$3.076M. The IDB on the 8 May 2015, requested the Chief Executive Officer to return US\$900,000, since the funds could not be utilized during the 2015 as per the updated financial plan submitted to the IDB by the Guyana Power and Light Inc (GPL). GPL requested Bank of Guyana on the 14 May 2015 to transfer US\$900,000 to IDB bank account. This transaction was verified on the IDB and the Public Debt Statements. Further, it should be noted Credit Fees of 0.75% per annum is charged on the undisbursed amount of the ordinary capital financing portion of the loan amount. As a result amounts totalling US\$14,982.82 were paid as Credit Fees during period 1 March 2012 to 23 September 2015.

#### Commitment Fees

64. Loan for The Purpose of Financing Setting-up of a Multi-Specialty Hospital, Contract dated 30 October 2012 with an expiration date of 29 October 2018. Loan financing amounted to US\$19M. Disbursements as at 31 December 2014 amounted to US\$4.285M with the last disbursement being made during the year 2013. Commitment Fees of 0.5% per annum is charged on undisbursed amount of the loan. As a result, amounts totalling US\$116,490.27 were paid as commitment fees as at 31 December 2015.

65. Loan Contract-for the Purpose of Acquiring, Installing and Commissioning of Fixed and Mobile Irrigation Pumps dated 26 July 2010 with an expiration date of 25 July 2016. Loan financing amounted to US\$4M. Disbursements as at 31 December 2014 amounted to US \$2.991M with the last disbursement being made during the year 2014. Commitment Fees of 0.5% per annum is charged on undisbursed amount of the loan. As a result amounts totalling US\$40,819.16 were paid as commitment fees as at 31 December 2015.

66. Loan-Georgetown Solid Waste Programme, Contract No. 1731/BL-GY-dated 22 February 2007 with an expiration date of 22 February 2018. Loan financing amounted to US\$2.500M. No amount was disbursed as at 31 December 2015. It should be noted that Guarantee Fees of 0.25% per annum is charged on the undisbursed amount. As a result amounts totalling US\$43,715.77 were paid as Guarantee fees as at 31 December 2015.

67. An amount of \$9.748 billion was reflected on the Statement of Expenditure in respect of those Service which by Law are directly charged upon the Consolidated Fund of the Government of Guyana as payment of Principal on External Loans. This amount reflected an increase of \$4.852 billion from 2014 and was as a result of three amounts totalling \$5.761 billion being paid to the Guyana Rice Development Board (GRDB) by the Ministry of Finance for rice shipment to Venezuela. In addition, it was noted that two amounts totalling \$1.953 billion were transferred from the PetroCaribe Fund. This resulted in a net difference of \$3.807 billion being charged and reflected on the Statement as payment of principal on external loans.

68. Section 217 (3) of the Constitution states “no monies shall be withdrawn from any public fund other than the Consolidated Fund unless the issue of those moneys has been authorised by or under an Act of Parliament”.

69. Examination of the Public Debt Register revealed that the register was not properly written up in respect of recording of entries therein. As a result, the accuracy, completeness and validity of the Public Debt Register could not be relied on. It should be noted that to date this account was not computerised.

70. These issues were highlighted in previous audit reports. In response, the Ministry had stated that efforts would be made to ensure that the system of recording and accounting for all Public Debt is fully computerized. However, at the time of reporting, the situation remains the same. The records were still being prepared on a manual basis and several inaccuracies were noted.

*Ministry's Response:* The Ministry of Finance indicated that efforts are being made to ensure that the system for recording and accounting for all Public Debt is fully computerised.

*Recommendation:* The Audit Office once again recommends that the Ministry of Finance take steps to have the Public Debt system fully computerised, and carry out monthly reconciliation of its records with those of the Debt Management Division. (2015/15)

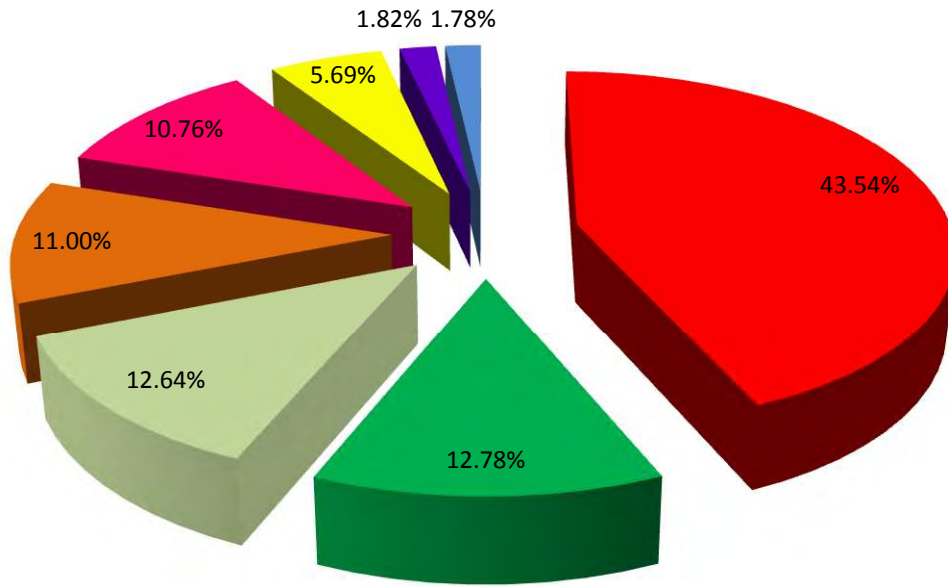
#### Debt Compensation

71. Compensation agreements were entered into between the Bolivarian Republic of Venezuela and the Cooperative Republic of Guyana that provided for the cancellation of the oil debt in compensation for white rice and paddy under the Guyana/Venezuela Rice Trade Agreements. According to the agreement, the Guyana Rice Development Board (GRDB) would supply rice and paddy to the Bolivarian Republic of Venezuela. During 2015, there were cancellations in relation to the 2013 and 2014 shipments as shown in the table below:

No.	Date laid in National Assembly	Donor Agency	Amount US\$'000	Exchange Rate \$	Amount G\$'000
1	17 December 2015	Venezuela	44,916	206.5	9,275,154
2	Draft Compensation Agreement	Venezuela	43,766	206.5	9,037,679
Total			88,682		18,312,833

72. Except for any adjustments, which might have been shown to be necessary as a result of the observations contained in the relevant sections of my report, in my opinion, the Schedule as shown on pages 414 to 434 properly presents Schedule of Public Debt for the year ended 31 December 2015.

**PUBLIC DEBT - EXTERNAL LOANS**



IDB	CDB	NPC	CHINA	VENEZUELA	OTHERS	IDA	INDIA	Total
43.54 %	12.78 %	12.64 %	11.00 %	10.76 %	5.69 %	1.82 %	1.78 %	100 %
\$101.046B	\$29.660B	\$29.340B	\$25.527B	\$24.970B	\$13.198B	\$4.235B	\$4.122B	\$232.097B

**Figure 6**

STATEMENT OF CONTINGENT LIABILITY  
AND  
STATEMENT OF GOVERNMENT GUARANTEES

73. It was noted that the Ministry of Finance in concurrence with the Debt Management Division of the Ministry had taken a decision to not recognise the Government Guarantees in relation to Guyana Telecommunications Corporation and Guyana Transport Services Limited. As such, there was de-recognition of the obligation as a real Liability in the inventory of Government Guarantee.

ISSUANCE AND EXTINGUISHMENT OF LOANS

74. No Schedule of Issuance and Extinguishment of Loans was provided in accordance with section 70 (1) of the FMA Act during the period under review.

APPROPRIATION ACCOUNTS OF HEADS OF BUDGET AGENCIES

75. The Appropriation Accounts of Head of Budget Agencies for the year ended 31 December 2015 in respect of the current and capital appropriation for which they were responsible, are shown on pages 1 to 287 of Volume II. These accounts are subjected to the comments dealing with the accounts of Ministries/Departments/Regions under the relevant sections of this Report.

RECEIPTS AND DISBURSEMENTS BY HEADS OF BUDGET AGENCIES

76. The Statements of Receipts and Disbursements by Heads of Budget Agencies for the year ended 31 December 2015 are shown on pages 288 to 305 of Volume II. These statements are also subjected to the comments dealing with the accounts of Ministries/Departments/Regions under the relevant sections of this Report.

EXTRA-BUDGETARY FUNDS

77. No Statement was provided to verify Extra-Budgetary Funds in accordance with Section 39 of the FMA Act during the period under review.

FINANCIAL REPORT OF OTHER ACCOUNTS APPROVED BY THE MINISTER

78. There was no other Financial Report approved by the Minister for the period under review.

AGENCY 02  
OFFICE OF THE PRIME MINISTER

Prior year matter, which has not been resolved

79. The Office of the Prime Minister (OPM) disbursed the sum of \$203.193M as subsidies and contribution to six local organisations under its control. Included in this sum is an amount of \$11M, which represents a Contingency Fund Advance for the Government Information Agency (GINA) to offset partial liabilities to Guyana National Newspapers Limited (GNNL). These organisations are required to have separate audits and reporting. As shown in the table below, only the audit of the Guyana Power and Light Inc. is up to date.

Local Organisation	Amount \$'000	Contingency Fund Advance \$'000	Last Year Audited	Last Report Laid in National Assembly	Remarks
Guyana Power & Light Inc.	-	-	2015	2012	Audit up to date.
Government Information Agency	74,939	11,000	2012	2012	Finalising 2013 and 2014 audit reports and audit in progress for 2015.
Lethem Power Company	70,000	-	2012	2012	Awaiting signed Financial Statements for 2013 and 2014. No Financial Statements received for 2015.(contracted out)
National Communications Network	27,254	-	2012	2012	Finalising audit reports for 2013 & 2014. Financial Statements received for 2015 (contracted out)
Mahdia Power Company	10,000	-	2012	2011	Awaiting signed Financial Statements for 2013. Audit in progress for 2014. No Financial Statements for 2015 (contracted out)
Port Kaituma Power & Light Company Inc.	10,000	-	2013	2012	Finalising 2014 audit. No Financial Statements for 2015 (contracted)
Total	192,193	11,000			

*Office's Response:* The Head of Budget Agency explained that the Office liaised with the respective companies to ensure that their Financial Statements were audited and laid in the National Assembly. However, with effect from 1 September 2015, the responsibility was transferred to the Ministry of Public Infrastructure.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency submit all audited reports to the Clerk of the National Assembly in order to have them laid in the National Assembly. (2015/16)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

80. The Stores Regulations stipulates that upon receipt of goods, the Storekeeper must immediately bring them to account in the Bin Cards and arrange to have them placed in their respective bins. However, it was observed that the Agency did not maintain Bin Cards or Stock Ledgers during the year. As a result, we were unable to verify the accuracy of the stock on hand.

*Office's Response:* The Head of Budget Agency explained that the bin cards are currently being updated.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that the Office adheres to the Stores Regulations. (2015/17)

Others

Contingencies Fund Advance Warrant

81. An advance in the sum of \$11M was requested on 29 December 2015, for payment to the Government Information Agency (GINA) to offset partial liabilities to Guyana National Newspapers Limited (GNNL). However, audit examination of the requisite payment vouchers and other supporting documents revealed that GINA paid GNNL the sum of \$9.450M, whilst the difference of \$1.550M was paid to employees of GINA as non- taxable bonus for the year 2015. As such, this advance was not used solely for the purpose intended.

Capital Expenditure

Land Transport

82. The sum of \$22M was allotted for the purchase of vehicles of which amounts totalling \$19.405M were expended as follows:

Description	Amount \$'000
One Toyota Corolla Motor Car	5,382
One Motor Cycle	203
One Toyota Land Cruiser	13,820
Total	19,405

83. Audit checks revealed that the Office had received the motor car and motor cycle. The procurement of one New Toyota Land Cruiser Station Wagon GX was awarded to the sole bidder in the sum of \$13.820M. According to the quotation, fifty percent (50%) of the price must be paid on “Firm Order” and the remainder on delivery of the vehicle. However, the full amount was paid to the Supplier on the 4 January 2016 via cheques numbered 05-612925 and 05-612926. Notwithstanding this, the vehicle was delivered in September 2016.

*Office’s Response:* The Head of Budget Agency explained that systems have been implemented to avoid future recurrence.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that there is full compliance with purchase agreements. (2015/18)

### Power Utility Upgrade

84. On 10 October 2014, the Inter-American Development Bank (IDB) and the Government of Guyana (GOG) signed a financing agreement for the execution of the Power Utility Upgrade Program. The total estimated cost of the Program is US\$64.573M, of which the IDB is contributing US\$37.642M from its Ordinary Capital resources (OC) and the Fund for Special Operations (FSO). The Program is also co-financed by the European Union’s Caribbean Investment Facility (CIF) which will contribute €19.375M (approximately US\$26.931M) through a Project Specific Grant (PSG). The Executing Agency is the Guyana Power & Light Inc. (GPL) through a Program Co-ordinating Unit (PCU) established within GPL Inc.

85. The general objective of this Program is to enhance GPL Inc. operational efficiency and corporate performance, in order to prepare the organisation to supply electricity in a sustainable manner over the long term. The specific objectives are improving GPL Inc. (i) management and administration, (ii) system planning and design, (iii) information technology, (iv) infrastructure requirements, (v) commercial operations, and (vi) infrastructure to allow for loss reduction, consistent with GPL’s Development and Expansion Programme. The total expenditure for the year amounted to US\$838,067.21 equivalent to approximately G\$173.061M. However, only the sum of G\$5.400M was recorded in the Appropriation Account as expended during the year. The project is subject to separate audit and reporting and the findings were reported in an audit report dated 30 March 2016.



Electrification Programme

86. On 23 September 2011, the Inter-American Development Bank (IDB) and the Government of Guyana (GOG) entered into an agreement to commit the sum of US\$5M and US\$500,000 respectively, to support the sustainable operation of the electricity sector and improve the quality of service. According to the Project Agreement the final disbursement of the resources shall expire four years from the effective date of the Agreement. In 2015, an extension of eighteen months (or up to 24 March 2017) was granted by the IDB to complete all the activities included in the Project Agreement. The total expenditure for the year amounted to US\$35,758.18 equivalent to approximately G\$7.509M. However, the sum of G\$5.377M was recorded in the Appropriation Account as expended. The project is subject to separate financial reporting and audit and the findings of the 2015 audit were reported in an audit report dated 29 April 2016.

AGENCY 03  
THE MINISTRY OF FINANCE

Programme 1- Ministry Administration

Current Revenue

87. The sum of \$18.922 billion represents current revenue estimated to be collected for the fiscal year 2015. Examination of the Statements of Receipts and Disbursements – Current revealed that total revenue actually collected and paid into the Consolidated Fund was \$18.503 billion. This represents a shortfall of 2% in actual collections when compared with the amounts estimated. Amounts estimated and collected under the various categories are as follows:

Description	Approved Estimates \$'000	Amount Collected and paid into Consol. Fund \$'000	(Under)/Over the Estimates \$'000
<u>Stamp Duties:</u>	<u>494,262</u>	<u>421,530</u>	<u>(72,732)</u>
Revenue Stamps	492,178	419,767	(72,411)
Cheques	2,084	1,763	(321)
<u>Interest:</u>	<u>2,179</u>	<u>2,041</u>	<u>(138)</u>
Other Loans and Advances	2,179	2,041	(138)
<u>Dividends and Transfers:</u>	<u>14,046,034</u>	<u>12,391,796</u>	<u>(1,654,238)</u>
Bank of Guyana Profits	4,200,000	3,512,731	(687,269)
Dividend from Non-Financial Institutions	2,002,500	1,002,500	(1,000,000)
Special Transfers from Statutory and Non-Statutory Bodies	7,843,534	7,876,565	33,031
<u>Miscellaneous:</u>	<u>4,379,238</u>	<u>5,687,406</u>	<u>1,308,168</u>
Guyana R.E.D.D. Investment Fund	0	0	0
Sundries	3,364,606	4,601,150	1,236,544
Lottery Receipts	1,000,000	1,069,000	69,000
Pension Contributions – Seconded Officers	0	379	379
Pension Contributions - Legislators	14,632	16,877	2,245
<b>Total</b>	<b>18,921,713</b>	<b>18,502,773</b>	<b>(418,940)</b>

88. Amounts totalling \$2.003 billion was budgeted to be received as Dividend from Non-Financial Institutions. The amount of \$1.003 billion reflected as Dividends from Non-Financial Institutions was received from NICIL for Guyana Oil Company as interim Dividends for the financial year 2015. Examination of the Financial Statements for the Guyana Oil Company for the year 2015 revealed that amounts totalling \$2.003 billion were paid over by the Guyana Oil Company to NICIL during the period October to December 2015. However, it was observed that only \$1 billion was paid over to the Consolidated Fund by NICIL as at 31 December 2015.

89. The sum of \$4.601 billion reflected as Sundries includes refunds of unspent balances in respect of Inter-Departmental Allocation Warrants issued and amounts collected for the sale of tender documents and other publications that were received through the various Ministries, Departments and Regions.

#### Capital Revenue

90. In keeping with cash basis of accounting, revenues must be recognized when it is received. However, significant differences were observed between the amounts shown as receipts in respect of external loans on the Statement of Public Debt and those recorded in the statement of Receipts and Disbursements for the Year 2015 as shown in the table below:

Lending Agency	Statement of Public Debt \$'000	Statement of Receipts & Disbursements \$'000	Difference \$'000
Caribbean Development Bank (CDB)	1,424,231	1,354,893	69,338
Export-Import Bank of China	1,023,539	891,459	132,080
Inter-American Dev. Association (IDA)	1,468,462	957,373	511,089
Inter-American Dev. Bank (IDB)	4,132,891	1,994,819	2,138,072
Int'l Fund For Agricultural Dev. (IFAD)	72,361	89,005	(16,644)
Exim Bank of India	0	0	0
Caribbean Development Fund (CDF)	722,337	626,775	95,562
Other Project Loans – Venezuela	5,293,215	79,692	5,213,523
<b>Total</b>	<b>14,137,034</b>	<b>5,994,016</b>	<b>8,010,592</b>

#### OTHER MATTERS

##### Privatised Companies

91. As mentioned in previous reports, the amounts of US\$2M and US\$900,000 remained outstanding from the sale of the Guyana Stores Ltd and the National Paints Company, respectively. The Guyana Stores Ltd was privatized in October, 2000 at a sale price of US\$6M while the National Paints Company was privatized in July, 1991 at a sale price of US\$1.150M. This matter is still engaging the attention of the Court.

Audit of the Accounts of the Guyana Lotteries Commission

92. The Government of Guyana and Canadian Bank Note Ltd (CBN) entered into an agreement establishing a Government Lottery which was organized and conducted under the provisions of the Government Lotteries Act, Chapter 80:07 of the Laws of Guyana. Under this agreement CBN is to pay Licence fees equivalent to 24% of gross revenue. The Guyana Lotteries Commission established in August 1996 by a Cabinet Decision, manages the Licence fees receivable and ensures that amounts expended are within the National Sector and in accordance with the guidelines for access to the lottery funding.

93. Over the years the Lotteries Commission received proceeds from the National Lottery which were used to make payments approved by Cabinet. These proceeds were retained in the 3119 bank account and no amounts were paid over to the Consolidated Fund.

94. In 2015, the Ministry budgeted for Lottery Receipts of \$1billion under the category of Miscellaneous Revenue and amounts totalling of \$1.069 billion were transferred from the 3119 bank account to the Consolidated Fund.

95. Nonetheless, while the Ministry of Finance has budgeting for Lottery Receipts, expenditure continues to be met without parliamentary approval. In this regard, the expenditure from the proceeds of the National Lottery should be accounted for by having a supplementary estimate passed in the National Assembly and recorded in the Public Accounts.

96. In addition, aside from the amount of \$1.069 billion which was transferred to the Consolidated Fund, significant sums which include prior year balances of \$369.294M and the proceeds of \$421.754M received for 2015 still remain in the bank account and were used to meet expenditure. The following is a breakdown of the balances reflected in the bank statement for 2015:

Description	Amount \$'000
Opening balance as at 1/1/2015	1,438,294
Proceeds received for 2015	421,754
Transfers to Consolidated Fund	(1,069,000)
Expenditure for various activities	(305,826)
Closing balance as at 31 December 2015	530,478

97. As shown above, according to the bank statements for 2015 amounts totalling \$305.826M were expended. However, the cash book and payment vouchers for 2015 to verify the details of the amounts spent were not presented for audit and the Deputy Accountant General explained that these were with the Forensic Auditor and had not been returned up to the time of the audit. Notwithstanding, the Ministry provided a listing of the amounts expended according to activities and these were verified with the bank statement. The following table gives a breakdown of the payments based on the listing:

Activities	Amount G\$'000
Carifesta	65,060
Mashramani	63,700
Music	51,583
Amerindian Heritage	38,256
Rehabilitation of Durban Park	36,509
Youth, Culture and Sports	28,573
Emancipation	18,260
Tourism	14,591
Misc	2,003
Total	318,535

98. The Commission is subject to separate financial reporting and auditing. The last set of audited accounts was for the year 2013. At the time of this report, the audit for the year ended 31 December 2014 is being finalised.

99. NICIL was the registered holder of 4,125 shares valued at \$474,375,000 in Guyana Telephone and Telegraph Company (GT&T). This was equivalent to 20% holding. GT&T was treated as an Investment (Associate) in the Financial Statements for the years 2002 to 2011. An amount of \$5,442,000,000 was paid over as Dividend to NICIL. On 6 November 2012 the government 20% shareholding which valued \$6 billion or US\$30M was sold to an overseas company. On 8 November 2012, upon signing of the agreement, an amount of \$4,999,986,000 was transferred to NICIL. The balance of US\$5M remaining should have been paid by the company within two years. At the time of reporting, no payment was made with respect to the outstanding balance.

*Audit of the Accounts of National Industrial and Commercial Investments Limited*

100. The audit of the National Industrial and Commercial Investments Limited (NICIL) operations as a Company has been completed for the years 2002 to 2013, while the audit of 2014 is being finalised.

101. With respect to the audit of NICIL's consolidated Financial Statements, these have been completed and reports issued up to the year 2006. Draft consolidated Financial Statements for the years 2007 to 2011 were submitted and the audits are in progress. However, their completion and issuance of the audit reports are dependent on the finalisation of the audits of the Guyana World Cup Inc. The following table gives the status of the entities at the time of reporting.

Entity	Year of Last Audit Report	Last Report Laid in National Assembly	Remarks
Atlantic Hotel Incorporated	2014	2011	Audit in progress for 2015.
Guyana National Cooperative Bank	2011	2010	Audit to be finalized for 2012-2013. No Financial Statements received for 2014-2015
Guyana National Newspaper Limited	2014	2012	Audit to be finalized for 2015.
Guyana National Printers Limited	2014	2012	Audit in progress for 2015.
Guyana National Shipping Corporation Limited	2014	2013	Audit to be finalized for 2015.
Guyana Oil Company Limited	2015	2012	Entity audit up to date.
Guyana World Cup Incorporated	2006	-	Audit in progress for 2007-2013. No Financial Statements received for 2014-2015
Kwakwani Utilities Incorporated	2013	2011	Audit to be finalized for 2014. No Financial Statements received for 2015.
Lethem Power Company Incorporated	2012	2012	Audit to be finalized for 2013-2014. No Financial Statements received for 2015.
Linden Electricity Company Incorporated	2013	2011	Audit to be finalized for 2014. No Financial Statements received for 2015.
Linden Mining Enterprise Limited	2014	2013	Audit to be finalized for 2015.
Mahdia Power and Light Incorporated	2012	2011	Audit to be finalized for 2013-2014. No Financial Statements received for 2015.
Matthews Ridge Power and Light Company Incorporated	2014	2013	No Financial Statements received for 2015.
National Communications Network	2012	2012	Audit to be finalized for 2013-2014, audit in progress for 2015.
Port Kaituma Power and Light Company Incorporated	2013	2012	Audit to be finalized for 2014. No Financial Statements received for 2015.
Property Holdings Incorporated	2015	2012	Entity audit up to date.

Subsidies and Contributions to Local Organisations

102. Amounts totalling \$6.909 billion were expended as subsidies and contributions in respect of twelve agencies. With the exception of the National Procurement and Tender Administration, the other agencies were subject to separate financial reporting and audit. Of the eleven entities, the status of Linden Electricity Company Inc. and Kwakwani Utilities Inc. is reflected under NICIL consolidation, Ethnic Relations Commission and the Rights Commissions is reflected under Constitutional Agencies, Guyana Association of Securities, Companies & Intermediaries, Guyana Securities Council and National Insurance Scheme are audited by private auditors, while the status of the other four entities are as follows:

Agency	Last Audit Report	Last Report Laid in National Assembly	Remarks
Financial Intelligence Unit	2014	2014	Finalising 2015 audit report.
Guyana Revenue Authority	2011	2006	Finalising 2012-2013 audit reports. No Financial Statements submitted for 2014-2015.
National Data Management Authority	2014	-	No Financial Statements submitted for 2015.
Bureau of Statistics	None	None	Audit not up to date

Programme 2 – Public Financial Management

Overseas Conference and Official Visits

103. The process of clearing conference advances is one that is ongoing within the Accountant General's Department. Thus in an effort to bring closure to this matter this department continues to be involved in a joint reconciliation with the respective Agencies, since it is incumbent on the latter to ensure that the public officers within their employ submit the necessary clearance documents. However, despite the ongoing efforts not much progress has been made in clearing the advances outstanding for the previous years. As at 31 December 2014, there were 364 advances for the years 2010 to 2014. During 2015, only 26 advances were cleared for those years. The status report on Conference Advances as at 12 July 2016 was as follows:

Year	2014		Cleared or Partially Cleared in 2015		2015	
	No. of Advances Outstanding	Amount \$'000	No. of Advances	Amount \$'000	No. of Advances Outstanding	Amount \$'000
2010	21	7,265	1	627	20	6,638
2011	43	16,642	2	650	41	15,992
2012	94	31,394	10	2,110	84	29,284
2013	113	32,996	6	683	107	32,313
2014	93	38,623	7	5,621	87	33,479
2015					126	60,340
TOTAL	364	126,920	26	9,691	465	178,046

*Ministry's Response:* The Ministry of Finance is working assiduously, with the guidance of a recent Cabinet Memorandum that stipulates how the expenses incurred by certain categories of public officials/ministers should be charged to the Appropriation Account. This new procedure has significantly reduced the volume of reconciliation previously undertaken by the Ministry. The Ministry of Finance has undertaken to do a clearance exercise on all outstanding Conference Advances prior to 2015 by the first week in October 2016.

*Recommendation:* The Audit Office recommends that the Ministry continue in its efforts to have the outstanding advances cleared within the stipulated time frame. (2015/19)

#### Accounting for Expenditure

104. On 16 September, 2016, a check on the Receipts and Payments Section revealed that one hundred and eighty stale dated cheques totalling \$45.507M which were payable to individuals and companies were still on hand as summarise below:

Year	No. of Cheques	Type of Cheque			Total \$'000
		Companies \$'000	Personal \$'000	Gratuity \$'000	
2011	8	-	-	273	273
2012	11	-	67	552	618
2013	29	155	618	2,115	2,888
2014	25	766	1,320	635	2,721
2015	107	29,758	8,150	1,099	39,007
TOTAL	180	30,679	10,155	4,674	45,507

*Ministry's Response:* The Accountant General's Department, in an effort to have the cheques dispatched is currently in the process of making contact with the individuals involved. The department is currently conducting due diligence checks on payment vouchers that are directly connected to the company cheques by the end of October 2016.



*Recommendation:* The Audit Office recommends that the Accountant General’s Department, continue in its effort to have the cheques dispatch and carrying out the due diligence checks on the payment vouchers that are directly connected to the cheques payable to companies. (2015/20)

105. Further, audit checks at the various Sub-Treasuries shown below revealed that seven hundred and three stale dated cheques totalling \$282.822M were still on hand. During the period January to September 2016, two hundred and seventy-four of these cheques totalling \$107.151M were updated by the Accountant Generals’ Department to facilitate payments. At the time of reporting, the remaining four hundred and twenty-nine cheques totalling \$175.671M were to be refunded to the Consolidated Fund.

Ministries/ Depts./Regions	No of Cheques	Amount \$’000	No. of Cheques updated As at 22 September, 2016	Amount \$’000	No of Cheques at Sub -Treasury As at 22 September 2016	Amount \$’000
GDF	11	67,251	0	0	11	67,251
Region 1	115	67,312	53	44,328	62	22,984
Region 2	130	23,675	97	13,587	33	10,088
Region 4	142	34,748	0	0	142	34,748
Region 5	13	12,943	0	0	13	12,943
Region 6	227	70,284	112	49,001	115	21,283
Region 8	41	4,444	0	0	41	4,444
Region 10	24	2,165	12	235	12	1,930
Total	703	282,822	274	107,151	429	175,671

*Ministry’s Response:* The Accountant General’s Department explained that in an effort to have the cheques dispatched is currently in the process of making contact with the individuals involved. The Department is also conducting diligent checks on payment vouchers that are directly connected to Company’s cheques.

*Recommendation:* The Audit Office recommends that the Accountant General’s Department, ensures that these cheques are refunded to the Consolidated Fund and puts systems in place to avoid a recurrence. (2015/21)

106. In my previous report mention was made of a loss of cash amounting to \$206.379M at the Accountant General’s Department Head Office. This fraud was uncovered where payments of arrears of pension and gratuity were made to sixty-one inactive, deceased and fictitious pensioners. At the time of reporting the matter is ongoing in the Courts.

107. Circularised instructions require that all cheque orders be cleared within sixteen days with all bills and receipts to support the amounts expended. Up to the time of reporting in August 2016, six cheque orders totalling \$903,753 were still outstanding.

Forensic Audits

108. The Ministry of Finance awarded forty-five contracts totalling \$135.576M to conduct Forensic Audits for various entities. According to documentation seen, the Ministry sought permission for Single Source Procurement in accordance with Section 28(b) of the Procurement Act from the Chairman of the National Procurement and Tender Administration Board (NPTAB) and which were approved by NPTAB. However, the term “Single Source Procurement” was not stated in the any of the approvals by NPTAB. Section 28 (b) of the Procurement Act states that the procuring entity may engage in single source procurement when the services by reason of their highly complex or specialized nature are available from only one source. Since the Ministry awarded forty-five contracts to eighteen consultants including accounting firms then the single source method of procurement should not have been used for the award of these contracts

109. Further, it was also observed that at the time of reporting in September 2016 nine cheques totalling \$26.194M are still on hand. These cheques were prepared on the 5 January 2016 and relate to the following forensic audit:

Date contract was awarded	Name of Audit	Contract Sum \$'000	Amount Paid as at 31 Dec. 2015 \$'000	Cheques on hold as at Aug. 2016 \$'000
7-Jul-15	Forensic Audit of PetroCaribe Fund	2,000	1,500	500
7-Jul-15	Forensic Audit of the Rice Development Board	4,000	3,000	1,000
7-Jul-15	Forensic Audit of Go-Invest	3,000	2,250	750
22-Jun-15	Forensic Audit of National Sports Commission	1,650	1,304	346
18-Jun-15	Forensic Audit of Demerara Harbour Bridge	3,015	2,167	848
18-Jun-15	Forensic Audit of Guyana Geology & Mines Commission	4,550	0	4,550
23-Jul-15	Forensic Audit of Central Housing & Planning Authority	5,250	0	5,250
29-Jun-15	Forensic Audit of Georgetown Public Hospital Corporation	8,049	0	8,050
29-Jun-15	Forensic Audit of Drug Procurement Operations Min of Health	4,900	0	4,900
Total				26,194

*Ministry's Response:* The Head of Budget Agency explained that these reports were with the Ministry who was conducting due diligent checks before payments were made.

### Other Matters

#### Integrated Financial Management and Accounting System

110. In modernising the public administration sector and improving public financial management and accountability, the Government of Guyana introduced the Integrated Financial Management Accounting System (IFMAS), in January 2004. IFMAS is an electronic financial application software suite developed by FreeBalance in 1984. The IFMAS project was funded by the Canadian International Development Agency (CIDA), the Inter-American Development Bank (IDB), the World Bank, and the International Monetary Fund (IMF).

111. With the introduction of IFMAS, the Financial Management and Accounting Systems of all Government agencies were integrated and a standard system configuration activated a new Chart of Accounts (COA) divided into funds, organizations, programs, projects, locations, and objects. Also, the SmartStream application used to process payroll from all the agencies was interfaced with IFMAS to automate the processing of cheques and enhance the security of printing. The IFMAS also operates a single bank account which was reconciled for the period under review. However, Data input by the various Ministries in the Expenditure & Revenue modules continued to be inconsistent.

112. Eight modules were acquired; however, only six have been implemented. Details of the modules are as follows:

No.	Name of Module	Purpose	Remarks
1	Controls	Management of the IFMAS	Implemented in 2004
2	Appropriation	Budget Execution & Monitoring	“
3	Expenditure	Executing Payments	“
4	General Ledger	Financial Reporting & Adjustments	“
5	Revenue	Processing Receipts	Implemented in 2007
6	Treasury Management	Bank Reconciliation	“
7	Purchasing	Processing Purchases	Not yet implemented
8	Asset & Inventory	Management of Fixed Assets	“

*Ministry's Response:* The Ministry of Finance in collaboration with Freebalance Software Company is upgrading its Government Accounting System; the Integrated Financial Management and Accounting System (IFMAS) from its current version of FMS (v 6.5 Classic) to the new Version 7, geared towards improvements in public accountability, operational efficiency and fiscal discipline. The new version is a fully integrated and web-based version of the FreeBalance Accountability Suite.

With the upgrade, the core modules that exist under the current version in IFMAS (i.e. Controls, Appropriations, Expenditure, General Ledger, Revenue and Treasury Management modules) will be configured and enhanced to include new and additional functions and reports. Moreover, the two unused modules inter alia the Purchasing and Fixed Assets Modules which formed part of the core modules under the current version will now be implemented during the system upgrade.

The Fixed Assets module is intended for Government Agencies to properly account for their fixed assets where agencies will be able to identify and account for them. It will also facilitate the application of IPSAS accounting in the future, since there will be a requirement to apply capital write off on fixed assets owned by all public entities.

The Purchasing module will be augmented with the Expenditure module and will provide the ability to create purchase requisitions and purchase order. This module will have a complete integration with the payment process to reflect payment of goods ordered and received. It is also intended to provide the ability to create an asset record when goods are received.

The project commenced during the first quarter of 2016 and training on the use of the new system has commenced. This exercise is an ongoing one and is expected to continue through the remainder of 2016 and into 2017.

*Recommendation:* The Audit Office recommends that the Ministry continue their efforts to improve the Public Financial Management Systems. (2015/22)

### Internal Audit

113. Sections 11 (b) and 29 of the Fiscal Management and Accountability Act No. 20 of 2003 states that “the Head of Budget Agency shall maintain an effective internal audit capability within the budget agency” and, “shall ensure that an adequate system of internal control and audit is established and maintained within the budget agency to properly manage appropriation allotments and to ensure that the allotment limits are not exceeded”.

114. The Internal Audit Department established in 2011 within the Ministry of Finance serves as a centralised Internal Audit Unit for various Ministries, Departments and Regions. In this regard, the Ministry of Finance Internal Audit Department is expected to provide assurance that key controls within the various Ministries, Department and Regions are functioning effectively. As such, the Department conducts reviews and audits and prepares reports summarising their activities, significant findings and recommendations. It was explained that the audit plan, which is a five-year plan, was approved in the first half of 2013 and is subject to changes which are approved by the Audit Committee. The Department has an approved structure of 16 staff and at the time of reporting 15 positions was filled.

115. Besides the centralised Internal Audit Unit at the Ministry of Finance, some of the other Ministries, Regions and Departments also have Internal Audit/ Field Audit staffing capacity as shown in the table below:

Agency	No. of Internal Auditors	No. of Field Auditors/ Stock Verifiers	Total Staffing
Guyana Revenue Authority	17	0	17
Ministry of Finance	15	0	15
Georgetown Public Hospital Corporation	7	0	7
Ministry of Public Infrastructure	1	5	6
Guyana Defence Force	0	5	5
Guyana Elections Commission	3	0	3
Guyana Police Force	0	3	3
Ministry of Education	0	3	3
Ministry of Public Health	0	3	3
Ministry of Communities	4	0	4
Ministry of the Presidency	0	1	1
Ministry of Agriculture	0	1	1
Ministry of Public Security	0	1	1
Regions 1 to 10	0	12	12
Total	47	34	81

Review of the Operations of the National Board and  
the National Procurement and Tender  
Administration

116. The Procurement Act No. 8 of 2003 makes provision for the regulation of the procurement of goods, services and the execution of works, the promotion of competition among suppliers and contractors and the promotion of fairness and transparency in the procurement process. Section 16(1) of the Act provides for the establishment of a National Board and the National Procurement and Tender Administration (NPTA). This Administration will be managed by the National Board and will report to the Minister of Finance.

117. Section 16 of the Act empowers the Minister of Finance to appoint persons to serve on the National Board. According to the Act, the Board shall comprise of seven members, not more than five from the Public Service and not more than three from the Private Sector after consultation with their representative organizations. The Act makes provision for two members of the Board to serve on a full time basis, with the Minister also appointing one of the two full time members as Chairman. At the time of reporting, while the Board was constituted with all seven members, the composition was not in keeping with the Act since six members were from the Public Service and one from the Private Sector.

118. The National Board shall have responsibility for exercising jurisdiction over tenders as prescribed by regulations and maintaining efficient record keeping and quality assurance systems. Further, Article 212(W) of the Constitution provides for the establishment of a Public Procurement Commission (PPC) to monitor public procurement and procedures in order to ensure that the procurement process is conducted in a fair and transparent manner. In the absence of a PPC, the Board will also have responsibility for (a) the making of regulations governing the procurement of goods and services; (b) determining the forms of documents for procurement; (c) reporting annually to the Minister of Finance on the effectiveness of the procurement process; (d) organising training seminars regarding procurement; and (e) adjudicating debarment proceedings.

*Ministry Response:* It was explained that in the absence of the Public Procurement Commission, the National Board, as provided for under Section 17(2) of the Procurement Act of 2003, has taken on the responsibility for:

- making regulations governing the procurement of goods and services;
- determining the forms of documents for procurement;
- reporting to the Minister on the effectiveness of the procurement system; and
- policy assistance, capacity building and monitoring functions. These functions include:
  - issuance and dissemination of the Act, Regulations, directives, procedures, standard bidding documents etc;
  - capacity building and organizing and delivering training programmes;
  - creation of a Management Information Systems (MIS); and
  - creation of an Internet Website to give publicity to contract awards and to disseminate information about public procurement.

At the time of reporting in September 2016, five members for the Public Procurement Commission were identified and approved by Parliament and are waiting to be sworn in.

With respect to the making of Regulations, the National Board had examined and reviewed certain aspects of the Procurement Act and its Regulations and had identified and reported on areas to be addressed through the Regulations to make the procurement system more effective. These included the following:

- debarment (Section 17 (1), (f) and (3) of the Procurement Act); and
- Increases in the threshold limits, for Regional/Ministerial/Agency Tender Boards (Schedule 1 of the Regulations).

In this regard, a consultancy firm was contracted to:

- draft Regulations under the Procurement Act, setting out the procedures to be followed by the Public Procurement Commission/NPTAB in adjudicating debarment proceedings; and
- examine and make recommendations on revisions to the Regulations, with a view to increasing the threshold limits in light of current prices and the fact that the last increase in limits was in November 2004. The firm has completed draft Regulations covering the above-mentioned areas. The draft Regulations are currently being examined before they are approved and brought into effect. The regulations amending the threshold values were passed in February 2016.

119. At the time of reporting in September 2016, regulations were passed to increase the threshold values.

120. It is a requirement under Section 11(1) of the Act for each procuring entity to publish notice of procurement contracts awarded within seven days of awarding such contracts. In addition, Part II (4) of the Procurement Regulations requires each procuring entity to provide within five days of publishing notice of the award, a report to the Administration of all contracts awarded in excess of \$200,000. On receipt of the report, the Administration shall publish the information on its website. There were noted non-compliance of the reporting provisions of the Procurement Act and its Regulations. In particular, procuring agencies were not reporting to the National Board all contracts awarded in excess of \$200,000, thereby restricting the National Board from publishing on its website all contracts awarded. Notwithstanding, the Administration published on its website, 3,240 contracts awarded during the period under review. At the time of reporting in September 2016, the amount of \$200,000 was revised to \$1.500M.

*Department's Response:* It was explained that regulations were passed in February 2016 increasing the limit from \$200,000 to \$1.500M.

*Recommendation:* The Audit Office recommends that the Ministry remind the procuring entities of the new limits and to comply strictly with the requirements of the Procurement Act and its Regulations. (2015/23)

121. Each Ministerial, Departmental and Agency Tender Board shall nominate for consideration by the National Board, qualified evaluators to serve on Evaluation Committees. It was noted that a pool of evaluators was created and evaluation committees were formed to adjudicate on procurement subject to its jurisdiction. The National Board however, had not exercised due diligence to ensure that the persons appointed as evaluators had the expertise and experience as specified in the Procurement Act.

*Department's Response:* The Chairman explained that a Circular has been issued in February 2016 by the National Board, to all Regional, Ministerial, Departmental and Agency Tender Boards:

- a. drawing to their attention Sections 20 (1) and 23 (1) of the Procurement Act 2003, which requires each Regional, Ministerial, Departmental and Agency Tender Board to nominate for consideration by the National Board, qualified evaluators to serve on Evaluation Committees; and
- b. requesting that they submit for the Board's scrutiny, the qualifications and/or experience of the persons nominated by them to serve on Evaluation Committees.

*Recommendation:* The Audit Office recommends that in appointing Tender Evaluators, the National Board should ensure that Ministries/Departments/Agencies/Regions undertake checks to ensure that candidates have the necessary expertise before nominations are made to the National Board. Equally, when directly appointing evaluators, the National Board should keep documentation to provide evidence of the checks undertaken. (2015/24)

122. As part of its mandate, the NPTA was required to establish a Bid Protest Committee to deal with alleged breaches of the Act by procuring entities. This Committee's role also included the review of complaints by aggrieved suppliers and contractors who were dissatisfied with a procuring entity's response to a complaint. It was noted that no committees were formed during the period of the audit although there had been breaches of the Act by procuring entities.

*Department's Response:* It was explained that the Bid Protest Committee was established in 2016 for a period of two years with effect from 1 July 2016 to 30 June 2018.



GUYANA REVENUE AUTHORITY

Customs and Trade Administration

Prior year matters, which have not been resolved

123. Standard operating procedures require that a file be opened and maintained for all cases of seizures until the matter is finalised. At the time of reporting in September 2016, for the years 2013 and 2014, out of a total of 442 seizure files opened, eighty-two were not closed. For the year 2015, the Administration failed to close fifty-six files out of a total of 306. Of the fifty-six files not closed, three were with the Legal Department and the remaining fifty-three were pending the sale of seizures, disposal of assets or the payment of taxes and fines estimated at \$42.857M. The table below shows the status of the seizures files.

Year	Nº of Seizures	Nº of Files Closed	Nº of Files Not Closed
2013	206	156	50
2014	236	204	32
Sub-total	442	360	82
2015	306	250	56
Total	748	610	138

*Administration's Response:* The Administration will continue to make efforts to locate offenders to settle tax liabilities with GRA and have all remaining files closed. A more formal approach is being adapted where letters to offenders will be dispatched through registered mails. Subsequently, these matters will be forwarded to Legal Services Division for further action.

*Recommendation:* The Audit Office recommends that the Administration take steps to ensure seizure cases are addressed promptly so that files are closed within a reasonable time frame. (2015/25)

124. The delay in processing seizures can result in the deterioration of related goods and subsequent loss in revenue. During 2015, in respect of the two hundred and fifty closed cases, amounts totalling \$91.692M, \$48.798M and \$64.039M were collected as additional duties and taxes, fines and conveyances and sale of seizures, respectively.

*Administration's Response:* The delay in processing seizures is as a result of several reasons which include ongoing investigations, not being able to locate offenders, matters being placed before the courts, etc. However, efforts will continue to be made to dispose of seized goods expeditiously.

*Recommendation:* The Audit Office once again recommends that the Administration take steps to ensure the processing of seizures is done as soon as possible since the delay to do so can result in the deterioration of the related goods and subsequent loss in revenue. (2015/26)

125. Standard operating procedures require files to be opened and closed for all incoming and outgoing vessels within forty-two days. If files are still opened at a transit shed after this period, a report is prepared stating the reasons for the incompleteness. For the years 2012 to 2014, the Administration was still to close a total of 307 files. An examination of the Ships' Rotation Registers for 2015 revealed that a total of 1,944 vessels arrived at the various Ports for which files were opened. However, only 1,656 files were completed, resulting in a failure to close 288 files. Further, the number of closed files submitted to the filing room could not have been ascertained. In a related matter, the forty-two days report was not found in thirty-eight of a sample of eighty-eight outstanding files examined. The table below gives details of the incoming ship files.

Transit Shed	№ of Ship Files Opened	№ of Ship Files Closed	№ of Ship Files Not Closed
Boathouse	882	839	43
D.S.C.L.	123	109	14
G.N.I.C.	86	62	24
G.N.S.C.	43	41	2
J.F.L.	275	219	56
Muneshwer's	84	61	23
Anna Regina	39	38	01
Corriverton	214	135	79
New Amsterdam	135	89	46
Linden	63	63	0
Total	1,944	1,656	288

*Administration's Response:* Outstanding ship files are as a result of unperfected 'Permits for Immediate Delivery' (PIDs) and 'Prior to Processing' (PTP) declarations, among other outstanding documents such as C25 and C72 Forms. Efforts are on-going to retrieve the relevant documents to close the files.

*Recommendation:* The Audit Office once again recommends that the Administration take appropriate action to have all ship files closed within the stipulated time frame and ensure that established procedures are fully complied with. In addition, a schedule of the files submitted to the filing room should be submitted for audit. (2015/27)

126. The Administration has still not investigated the differences between the Revenue Statement and the Demand Registers kept by the Guyana Revenue Authority in order to properly reconcile the records and make the necessary adjustments so that both records reflect the overtime worked and the payments made. The Commissioner-General had explained that efforts were ongoing to determine the reasons for the variances. In 2014, the revenue statement reflected amounts totalling \$61.689M as overtime fees collected from merchants while the Overtime Register and Demand Slips reflected amounts totalling \$31.901M, resulting in a difference of \$29.788M. During the period under review, the revenue statement and overtime records reflected amounts totalling \$77.387M and \$60.186M respectively, resulting in a difference of \$17.201M.

Location	Amount Collected as per Revenue Reports \$'000	Collection reflected in Demand Registers			Difference \$'000
		Amount Demanded \$'000	No of Payments	Amount Paid \$'000	
Customs House	40,696	0	0	0	40,696
Boathouse	63	736	123	736	(673)
D.S.C.L.	0	5,138	9	5,138	(5,138)
G.N.I.C.	286	6,765	75	6,204	(5,918)
G.N.S.C.	6,923	11,328	95	11,076	(4,153)
G.P.O.C.	0	794	7	525	(525)
J.F.L.	25,508	26,425	57	26,062	(553)
Muneshwer's	0	7,185	32	7,185	(7,185)
Q-TREX	0	331	11	331	(331)
Ogle Airport	756	386	55	386	370
CJIA	0	40	7	40	(40)
Anna Regina	7	7	1	7	0
Corriverton	1,035	1,045	208	1,045	(10)
New Amsterdam	953	183	15	182	770
Linden	1,160	1,269	89	1,269	(109)
<b>Total</b>	<b>77,387</b>	<b>61,632</b>	<b>784</b>	<b>60,186</b>	<b>17,201</b>

*Administration's Response:* For the period May 2015 to December 2015 all demands issued to merchants were paid.

*Recommendation:* The Audit Office once again recommends that the Administration take steps to ensure that the records reflect similar information for accountability purposes. In addition, a reconciliation of amounts demanded and payments received from merchants, along with all supporting documentation should be promptly presented for audit examination. (2015/28)

127. As noted in the table above, the amount of \$40.696M was reflected in the revenue accounting reports as being collected at Customs House, however, this amount was not brought to account in the Demand Registers. As a result, it could not be determined the merchants who paid the amounts and which demand notices were honoured. Further, an examination of the Demand Registers and related records revealed the following unsatisfactory features:

- (a) The Demands Register maintained by the Goods Examination Unit was not properly written-up to reflect the demands issued in respect of requests received and subsequent payments made.
- (b) The Overtime Register maintained by the New Amsterdam Integrated Tax Office reflected a balance of \$182,418 while an analysis of actual receipts totalled \$654,295, resulting in a difference of \$471,877.

- (c) The Demand Slips, Overtime Requests Forms and Payment Slips for the period January to April 2015 in relation to the Customs, Excise and Trade Operations were not presented for audit examination.

*Administration's Response:*

- (a) It should be noted that the approved Transit Sheds that are granted credit, would usually group all C43 requests together: whether it is overtime, which is out of the official working hours, or for officers working on premises. It should also be noted, that these approved Transit Sheds, would issue one cheque for overtime to the Guyana Revenue Authority, which encapsulates the services of officers from the Goods Examination Unit, Transit Sheds, etc who would have worked on the vessel.

As explained to the Auditors, the demand register and monies paid to Guyana Revenue Authority would never correlate because of this anomaly. The other agents apart from the approved Transit Shed are required to pay cash for C43 services. The completed Demands Register would be available for perusal by the Auditors by 23/09/2016.

- (b) Demands are only issued to reputable organisations or businesses, therefore only the Guyana National Shipping Corporation Demands are issued from this Office for Overtime duties performed by Officers; all other applicants pay a deposit on their overtime. Therefore the receipts of payments for 2015 which are placed in a file would have Demands and deposit payments for 2015 thus the difference between the Demand Register and receipts for 2015 would be payments made by Agents who are not deemed reputable and would have made deposit payments for the overtime requested.
- (c) Some of the outstanding documents have since been presented for verification to the State Auditors. However, efforts are on-going to have the outstanding documents presented as soon as possible.

*Recommendation:* The Audit Office once again recommends that the Administration take steps to ensure that the records reflect similar information for reconciliation and accountability purposes. In addition, the updated Demands Register and all outstanding documents are promptly presented for audit examination. (2015/29)

128. The Administration continued to experience difficulties in collecting outstanding overtime payments demanded from merchants. For the years 2012 to 2014, outstanding merchants' overtime payments totalled \$12.128M while for the period under review, amounts totalling \$1.446M, were still outstanding. In response to the finding in the prior year report, the Administration had indicated on 26 August 2015, that payments totalling \$8.737M were subsequently received from merchants. However, at the time of reporting in September 2016, evidence of the receipt of \$8.737M was not presented for audit verification. The following tables reflect the details of the amounts outstanding.

Amounts Outstanding for the years 2012 – 2014

Year	Agency	Nº of Demands	Amount \$'000
2012	G.N.I.C	15	340
2013	G.N.S.C/Boathouse	86	3,779
2014	D.S.C.L.	2	1,074
	G.N.I.C	133	409
	Muneshwers	166	3,308
	G.P.O.C.	1	67
	G.N.S.C	72	150
	Q-TREX	31	336
	G.N.S.C./Boathouse	106	2,661
	D.S.C.L./Boathouse	1	4
Total		613	12,128

Amounts Outstanding for the year 2015

Year	Agency	Nº of Demands	Amount \$'000
2015	G.N.I.C	10	561
	G.N.S.C	5	253
	J.F.L.	4	363
	G.P.O.C.	6	269
Total		25	1,446

*Administration's Response:* Management will work to ensure that demand slips are issued and ensure that payments for merchant overtime are received.

*Recommendation:* The Audit Office once again recommends that the Administration continue in its efforts to recover all outstanding payments from merchants. The Audit Office further recommends that the Administration provide all documentations in support of the amounts received from Merchants. (2015/30)

Current year matters, with recommendations for improvement in the existing system

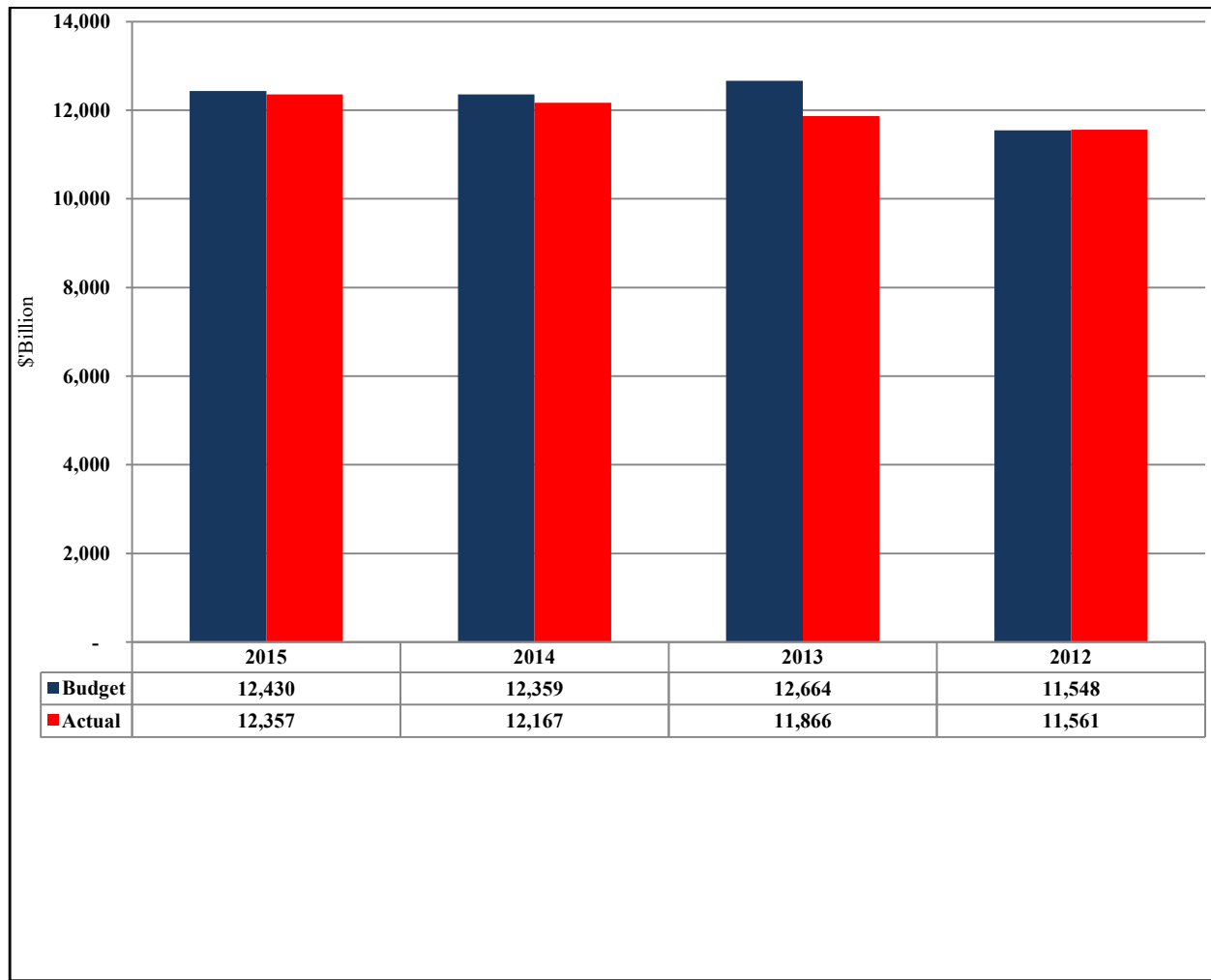
129. According to the Statement of Receipts and Disbursements, amounts totalling \$13.326 billion were estimated to be collected from customs and trade taxes, fees, fines and licences for the fiscal year ended 31 December 2015. However, there was a shortfall of \$170.025M in collection since amounts totalling \$13.156 billion were collected and paid into the Consolidated Fund. This shortfall was due mainly to an over-estimation of import duties based on expected performance, a decrease in the values of some categories of beverages imported in non-returnable containers and an amendment to Section 7A of the Customs Act, Chapter 82:01, which prohibited the collection of a \$10, Environmental Tax on every unit of non-returnable containers of imported beverage. The following table provides details:

Line Item	Description	Approved Estimates \$'000	Amount Collected & Paid into Consol Fund \$'000	(Under)/Over Estimates \$'000
5011	Import Duties	12,430,100	12,357,059	(73,041)
5021	Export Duties	12,928	11,629	(1,299)
5031	Stamp Duties	21,644	22,185	541
5071	Environmental Tax	615,694	496,114	(119,580)
5079	Misc. & Other Taxes	107,413	103,197	(4,216)
5081	Overtime Fees	47,105	77,387	30,282
5082	Departmental Fines	49,114	55,255	6,141
5083	Warehouse Rent & Chgs.	26,054	22,623	(3,431)
5084	Liquor Licence	16,209	10,787	(5,422)
Total		13,326,261	13,156,236	(170,025)

130. Import duties was the main source of revenue collection and represents 94% of the total amounts collected in respect of Customs and Trade Taxes. As reflected in the table above, amounts collected and paid into the consolidated fund was \$12.357 billion as against the approved estimates of \$12.430 billion, resulting in a shortfall of \$73.041M.

*Administration's Response:* The revocation of the Environmental Tax on beverage containers, combined with the precipitous decline in the price of fuel, on which we collected an ad valorem tax contributed to the shortfall. This was aggravated by a decline in mining activities which resulted to less demand for taxable fuel used within that industry.

COMPARATIVE ANALYSIS OF BUDGETED AND ACTUAL AMOUNTS  
PAID INTO THE CONSOLIDATED FUND FOR IMPORT DUTIES



**Figure 7**

131. As illustrated in the graph above, there was a progressive increase in the amounts collected as import duties over the period 2012 to 2015. Notwithstanding the increase, the amounts collected over the period fell short of the approved estimates resulting in a failure to meet established revenue targets.

132. Regulation 50 (9) made under the Customs Act requires that goods for immediate delivery be entered within ten working days from the date of the permit for the delivery of such goods, excluding Sundays and public holidays. At the time of reporting in September 2016, four PIDs for which estimated assessed taxes totalled \$12.865M remained outstanding. In addition, examination of a sample of 220 entries in the PID Register revealed that sixty-eight entries with a total CIF value of \$8.682 billion and assessed taxes totalling \$3.544 billion were entered on an average of sixteen days over the stipulated time frame. Failure to ensure that the PID facility is operated within the stipulated framework constitutes a serious breach of the Customs Regulations and can result in loss of revenues and long delays in completing ship and aircraft files.

*Administration's Response:* Care is taken to minimise the time PIDs are outstanding. However, delays may occur on the account of consignees' inability to secure all the documentation, such as remission letters and certificates of origin, required for processing PIDs.

*Recommendation:* The Audit Office recommends that the Administration put systems in place to ensure that the requirements of the Customs Regulations as it relates to PIDs are fully complied with. (2015/31)

133. Remission of duties and taxes totalled \$92.425 billion for the period under review, as compared to \$63.267 billion in 2014. This represents an increase of \$29.158 billion over the corresponding period. It should be noted that the total Value Added Tax (VAT) exempted for the year totalled \$49.320 billion or 53.36% of the total amount exempted. Despite requests, the Administration presented only seventy-two exemption files for audit examination from a sample of 135 files requested. As a result, the scope of the audit was restricted due to the non-submission of all files.



Type of Concession	2015		2014	
	Nº of Exemptions	Amount \$'000	Nº of Exemptions	Amount \$'000
<u>Conditional Tax Exemptions</u>				
Companies/Businesses	7,855	57,207,198	8,105	41,581,976
Ministries/Government Depts.	1,002	19,529,356	1,252	4,428,381
Re-migrants	335	1,532,268	348	1,700,215
Churches/Charitable Organisations	189	1,765,917	194	1,681,128
Diplomats	365	1,473,172	410	1,359,902
Public/Contract Officers	668	914,250	545	910,934
Foreign Funded Projects	147	1,072,597	190	906,784
Others	341	239,389	533	337,269
Sub-Total	10,902	83,734,147	11,577	53,406,587
Unconditional Tax Exemptions	5,707	8,690,911	6,060	9,860,011
Total	16,609	92,425,058	17,637	63,266,598

*Administration's Response:* 135 files were requested by the auditors. Thirty eight (38) files were initially submitted and an additional thirty-four (34) was subsequently retrieved and submitted, which carried the total files submitted to seventy-two (72). Based on discussions at the meeting held with the Auditor General on September 13, 2016, the scanned copies of the remaining 63 files will be printed and forwarded to the auditors.

*Recommendation:* The Audit Office recommends that the Administration put systems in place to ensure that there is adequate accountability for tax exemption files so that these are produced for audit in a timely manner. (2015/32)

134. According to the Summary of Revenue Loss for Paid Declarations Report, remission of duty and taxes totalled \$92.425 billion for the year 2015. However, the Listing of Revenue Loss for Paid Declarations Report reflected an amount of \$73.677 billion, resulting in a difference of \$18.748 billion.

*Administration's Response:* The discrepancy between TRIPS Report #570 (Summary of Revenue Loss for Paid Declarations Report) and Report #636 (Listing of Revenue Loss for Paid Declarations) was brought to the attention of the Administration and a query was raised with the IT division to have the issue addressed. The reports are now being reconciled.

*Recommendation:* The Audit Office recommends that the Administration put systems in place to ensure that all reports generated contain accurate and valid data. In addition, a reconciliation of the differences between the two reports should be presented for audit. (2015/33)

135. There were thirty-four private warehouses in operation during the period under review. An examination of the warehouse registers and physical inspections of seventeen warehouses conducted in April and July 2016 revealed the following:

- (a) Thirty-six pieces of equipment and seventeen vehicles valued at a \$370.859M were not found in five warehouses operated by one importer and there was no evidence that the equipment and vehicles were released by the Administration. In addition, there was no evidence that duties and taxes totalling approximately \$89.691M were paid. It should be noted that Section 100 of the Customs Act, Chapter 82:01 prohibits a warehouse owner or keeper or any person in his employ from opening or gaining access to a warehouse except in the presence or with the knowledge and consent of an officer of the Administration. The table below gives further details:

Name of Warehouse	Location of Warehouse	No of Equipment & Vehicles	CIF Value of Units \$'000	Estimated Duties & Taxes Outstanding \$'000
Warehouse 1	Chester Village, Berbice	10	40,255	6,441
Warehouse 2	Chester Village, Berbice	18	195,368	31,259
Warehouse 3	Eccles, EBD	5	79,735	12,758
Warehouse 4	Smyth Street, G/town	3	37,622	6,019
Warehouse 5	Smyth Street, G/town	17	17,879	33,214
Total		53	370,859	89,691

- (b) A total of forty-four pieces of equipment valued at \$312.006M and with estimated taxes payable totalling \$49.921M were removed from four warehouses in which they were deposited and transferred to another four without the permission of the Commissioner-General. The removal of warehoused goods from one warehouse to another without the permission or knowledge of the Commissioner-General represents a breach of Section 115 of the Customs Act 82:01.
- (c) Ten pieces of equipment and five vehicles physically verified in three warehouses were not traced to the warehouse registers maintained by the Administration. Efforts to ascertain the value of the equipment and vehicles proved futile since it could not be determined the year the items were warehoused and the Cost, Insurance and Freight (CIF) of each piece of equipment and vehicle.
- (d) Regulation 116 of the Customs Regulations prohibits a warehouse-keeper from making any alteration or addition to a warehouse without first obtaining the written permission of the Commissioner-General. At one warehouse, it was observed that the approved warehouse area was currently being converted to a storefront and the warehouse stock of fifteen vehicles valued at \$28.996M was re-located to the compound. There was no evidence that permission was granted by the Commissioner-General to remove the stock and to alter the warehouse.

- (e) The keys for twenty-nine of the thirty-four warehouses were in the possession of the Customs Warehouse Unit. As a result of not having the keys to the five warehouses, it could not be determined whether the warehoused stock was secured to the satisfaction of the Commissioner-General and the steps taken to ensure that no unauthorized person had access to the warehouse stock.
- (f) Audit examination of the warehouse register for one importer and physical inspection of the warehouse on 14 April 2016 revealed that two vehicles listed in the register were not found in the warehouse nor was there evidence that the vehicles were released by the Administration. In addition, there was no evidence that duties and taxes totalling approximately \$2.876M were paid. In a subsequent visit to the warehouse on 26 April 2016, the two vehicles were warehoused and the position of each vehicle was different from that observed on the 14 April 2016. Investigations have revealed that permission was not granted by the Administration to access the warehouse and to rearrange the vehicles.

*Administration's Response:* The Administration has taken note of the findings of the Auditor General.

- (a) One warehouse owner operates five warehouses: two in Berbice, two in Georgetown and one at Eccles. An audit of these warehouses by the Warehouse Section, commenced in January 2016. Prior to this intervention, these were 'open' warehouses - the warehouse keeper had the keys. All these warehouses are now secured with locks under the control of the Warehouse Section of the CTA. Notices to produce stock not located during this audit by the Warehouse Section were served on the warehouse operator in March, 2016, prior to the commencement of activities by the State Auditors. The warehouse operator was served several 'Notices to Produce' and upon default, demands for the outstanding duties and taxes were served. The matter has been deferred to the Legal Division for attention.
- (b) The four warehouses mentioned are part of the five operated by the owner referred to in the previous paragraph; there is not a second lot of four warehouses. An exercise undertaken by the Management and staff of the Private Warehouse Division disclosed the relocation of the stock among the four warehouses and attempts to reconcile these against the records also resulted in the warehouse keeper being served 'Notices to Produce' stock missing without acceptable reason.

In respect of all the warehouses mentioned above, demands for the payment of the duties were served and resulted in the intervention of the warehouse keeper's attorney. Proceedings were stayed in an effort to reconcile the records and regularise operations of these facilities, consistent with the laws and regulations. After a protracted period of consultations, the matters above-mentioned were referred to the Legal Division for their input in recovery of the duties after the parties had exhausted attempts to reconcile the stock against the records and the failure of the warehouse keeper to produce stock after being served notices.

- (c) The ten pieces of equipment not listed in the registers represented stock stored in the one warehouse, but which were not part of the stock on which duties were due. The warehouse keeper was warned that this co-mingling of stock was not permitted. The securing of the warehouse with locks under the control of Customs officers puts the warehouse under dual control and prevents recurrence of such practices.

There are five units secured at another warehouse which were investigated and appear to be part of the stock of 2006. The current registers date to 2007. The management of the warehouse has indicated an intention to donate these vehicles to the Revenue Authority and the matter is due for decision at the September, 2016 meeting of their Board.

- (d) A report on this matter was prepared and submitted to the Legal Division for their input. Investigations disclosed that this warehouse has a history of open storage of stock as the tractors were always kept in an open external area. The stock at issue has been secured consistent with the standards applied to similarly configured warehouses.
- (e) The five warehouses are all currently secured with additional locks and are under dual control.
- (f) This warehouse is under dual control. The operator was informed of the allegation and cautioned. He denied the warehouse had been inappropriately accessed and that the stock had been removed. However, the warehouse was inspected and remedial measures were undertaken at his expense: the column for the gate was recast to encase the previous bolt and nut which supported the gate.

*Recommendation:* The Audit Office recommends that the Administration put systems in place to ensure that the Customs Laws and Regulations applicable to warehousing of goods are fully adhered to. (2015/34)

136. Bonds are required to be established in accordance with Section 99 of the Customs Act, Chapter 82:01, by the owners of private warehouses for the purpose of warehousing of goods without payment of duty on their first entry. Evidence was seen where a total of seventy-four bonds valued at \$2.882 billion were established with five commercial banks, three insurance companies and the Trust Corporation by the owners of the thirty-four private warehouses. Two banks and three insurance companies confirmed the existence of fifty-four bonds valued at \$2.481 billion. In the absence of other confirmations, the existence of the remaining twenty bonds valued at \$400.500M could not be ascertained.

*Administration's Response:* The banks and insurance companies were written and requested to submit the details of all Customs bonds held.

*Recommendation:* The Audit Office recommends that the Administration send follow-up requests to the financial institutions to confirm the existence of bonds to the Audit Office. (2015/35)

137. A bond of \$15M established by owner of one private warehouse on 15 June 2012 had expired on 15 June 2014. Corrective action was taken by the warehouse-keeper late in 2015 and a bond valued at \$10M was established on 18 November 2015. At the time of reporting in September 2016, eight units valued at \$16.925M were in stock and duties and taxes were estimated at \$37.086M. The value of the new bond was therefore regarded as insufficient to cover the estimated duties and taxes for the eight units.

*Administration's Response:* The Administration noted the comments of the Auditor General. The process for removal of the stock is ongoing. One stock item was entered vide receipt with reference CLIQHO/2016/C212169 while declarations for three units were submitted for processing. A demand for the duties and taxes on the remaining units was served.

*Recommendation:* The Audit Office recommends that the Administration put systems in place to ensure that the Customs Laws and Regulations applicable to warehousing of goods and bonds in respect of those goods are fully adhered to. (2015/36)

138. In accordance with Standard Operating Procedures (SOPs), files must be opened and closed for all incoming and outgoing aircrafts and all closed files must be submitted to the filing room of the Administration. An examination of the Aircraft Registers for the year 2015 maintained at the two international airports revealed a total of 5,273 and 5,248 incoming and outgoing aircrafts, respectively. At the time of audit in May 2016, the Administration failed to close 509 files for incoming aircrafts and 09 files for outgoing aircrafts. In addition, only four files from a sample of twenty-nine incomplete files were presented for audit examination. Further, it was observed that a number of closed files were still located at both airports.

*Administration's Response:* The files not closed are in relation to the Cheddi Jagan International Airport. At present, 313 files are still to be closed. Efforts are being made to have these files closed which are outstanding due to PTPs, PIDs and C25s. Also, efforts are being made to have the closed files from both locations moved to the main filing room. However, this process is hampered due to space limitations at the current filing room.

*Recommendation:* The Audit Office recommends that the Administration take appropriate action to have all aircraft files closed within the stipulated time frame. In addition, a schedule of the files submitted to the filing room and those still located at the airports should be submitted for audit. (2015/37)

139. In May 2010, the Administration acquired an electronic container scanner at a cost of US\$1M for the purpose of 100% container scanning. The scanner which was placed into operation on 23 May 2011 was determined to be inoperable on 18 October 2014 due to a loss of power to the electrical cabinet. Another scanner which was acquired in November 2013 at a total cost of US\$5.3M and placed into operation on 4 January 2014 also became inoperable on 18 June 2016. At the time of reporting in September 2016, the position remained the same.

*Administration's Response:* The first scanner is unserviceable and is not cost-effective to repair. The mobile scanner has malfunctioned because of its constant exposure to the weather conditions. The scanner was repaired but currently the Authority is in the process of identifying a permanent location for the scanner.

*Recommendation:* The Audit Office recommends that the Administration continue in its efforts to identify a suitable location for the scanner that would protect it from the rigors of nature. (2015/38)

140. Assessment audits conducted for the years 2001 to 2006 revealed that a manufacturer of products chargeable with consumption tax, was under assessed tax in the sum of \$5.392 billion. The matter was litigated over a period commencing in the year 2009 and on the 9 March 2016 via mutual consent, an agreement was signed to settle the matter in the sum of \$1.500 billion. According to the terms of the agreement, the amount is required to be paid within a year from the date of the agreement. At the time of reporting in September 2016, the sum of \$600M was verified as being paid to the Authority.

### Value Added Tax

#### Prior year matters, which have not been resolved

141. The Value Added Tax (VAT) Act № 6 of 2007 came into operation on the 1 January 2007, by Order № 1 of 2006 signed by the Minister of Finance on 16 January 2006. The Act provide for the imposition and collection of Value Added Tax on goods and services. The tax is levied at the rate of 16% on the value of every taxable supply by a taxable person in Guyana and every taxable import of goods or import of services, other than an exempt import.

142. According to the records of the Department, a total of 3,494 taxpayers were registered for VAT purposes. However, only 1,985 taxpayers filed returns with the Department. An analysis of the 1,509 taxpayers who failed to submit their returns revealed that there were no submissions from 991 taxpayers while partial submissions were made by the remaining 518 taxpayers. During the period under review, a total of 29,424 demand notices were sent to only 1,176 defaulting taxpayers. A similar observation was made in 2014 where from the total of 1,224 defaulting taxpayers, only 5,593 demand notices were sent to 703 taxpayers.

*Department's Response:* The Administration acknowledges the comments of the Auditor General. As at December 31, 2015 there were 2,761 VAT Registrants. There is an ongoing activity where Demands for VAT Returns are done on a daily basis.

• Number of VAT Registrants	3,494
• Number of De-registered	(317)
• Number of Pending De-registration	(416)
• Number of Registrants Filing Returns	1,985
• Number of Delinquent Registrants	766
• Number of Demands Generated	1,176

*Recommendation:* The Audit Office recommends that the Department put systems in place to ensure that all taxpayers comply fully with the requirements of the VAT Act as it relates with the filing of tax returns. (2015/39)

143. The Administration has still not taken steps to ensure that all VAT returns are entered into the TRIPS database. For the period under review, a total of 25,719 returns were submitted to the Department. However, it was observed that 138 returns were queried by the Department and as a result, these returns were not entered into the database. Similarly for the years 2011 to 2014, a total of 684 returns were not entered in the database as reflected in the table below.

Year	VAT Returns not entered in TRIPS as at August 2016
2011	255
2012	182
2013	147
2014	100
Total	684
2015	138
Total	822

*Department's Response:* The Department acknowledges the comments of the Auditor General. Work is ongoing to have the un-posted VAT Returns with queries finalised.

*Recommendation:* The Audit Office once again recommends that the Department take appropriate measures to ensure that all returns are finalised in a timely manner and entered into the TRIPS database. (2015/40)

144. Audit checks of Total Revenue Integrated Processing System (TRIPS) and the records presented for audit examination reflected refunds to taxpayers totalling \$2.628 billion while the revenue statement reflected \$2.644 billion, resulting in a difference of \$16M. A similar observation was made in 2014 where refunds to diplomats, non-residents and local taxpayers amounted to \$2.686 billion, while the revenue statement reflected \$3.156 billion, a difference of \$470M.

*Department's Response:* The Department acknowledges the comments of the Auditor General. Work is ongoing to have un-posted refunds processed. A reconciliation done for 2015, shows that un-posted VAT refunds now stand at \$10.9M. A similar reconciliation is being done for 2014 and the findings of this reconciliation will be communicated to the Audit Office when completed.

*Recommendation:* The Audit Office recommends that the Department continue to investigate the differences and submit to the Audit Office all reconciliations upon completion. (2015/41)



Current year matters, with recommendations for improvement in the existing system

145. In relation to bank account № 0162500447003 held at the Bank of Guyana, an examination of the December 2015 bank reconciliation statement revealed amounts totalling \$122.217M were reflected as deposits not on bank statement. The amount represents deposits made in the years 2010, 2011 and 2015. The reasons for the delay in bringing to account the amounts could not be ascertained. The table below provides details of the deposits not reflected on the bank statement.

Month	Remarks	Amount \$'000
March 2010	None	98
January 2011	None	12
February 2015	Customs	85,626
September 2015	Anna Regina	12,928
November 2015	Bartica & CLICO	2,331
December 2015	Bartica, Linden, Parika, Anna Regina, CLICO & Corriverton	21,222
Total		122,217

*Department's Response:* The Department acknowledges the comments of the Auditor General. The deposits referred to as 'Deposits not on Bank Statements for \$85.6M (February 2015), \$12.9M (September 2015) and \$2.26M (November 2015) represents actual deposits made to our VAT account. However, the deposit slips number recorded by the Bank of Guyana in the account varied slightly. As such, these exact amounts are classified as 'Deposits not in Cash Book' and are included in the amount of \$1.188B on the Bank Reconciliation Statement. Apart from the amounts for January 2011 and March 2010, all other deposits for November 2015 and December 2015 were cleared in January 2016.

*Recommendation:* The Audit Office recommends that the Department put systems in place to ensure that all deposits are brought to account in a timely manner. In addition, the Department should follow-up with the bank to have this error corrected. (2015/42)

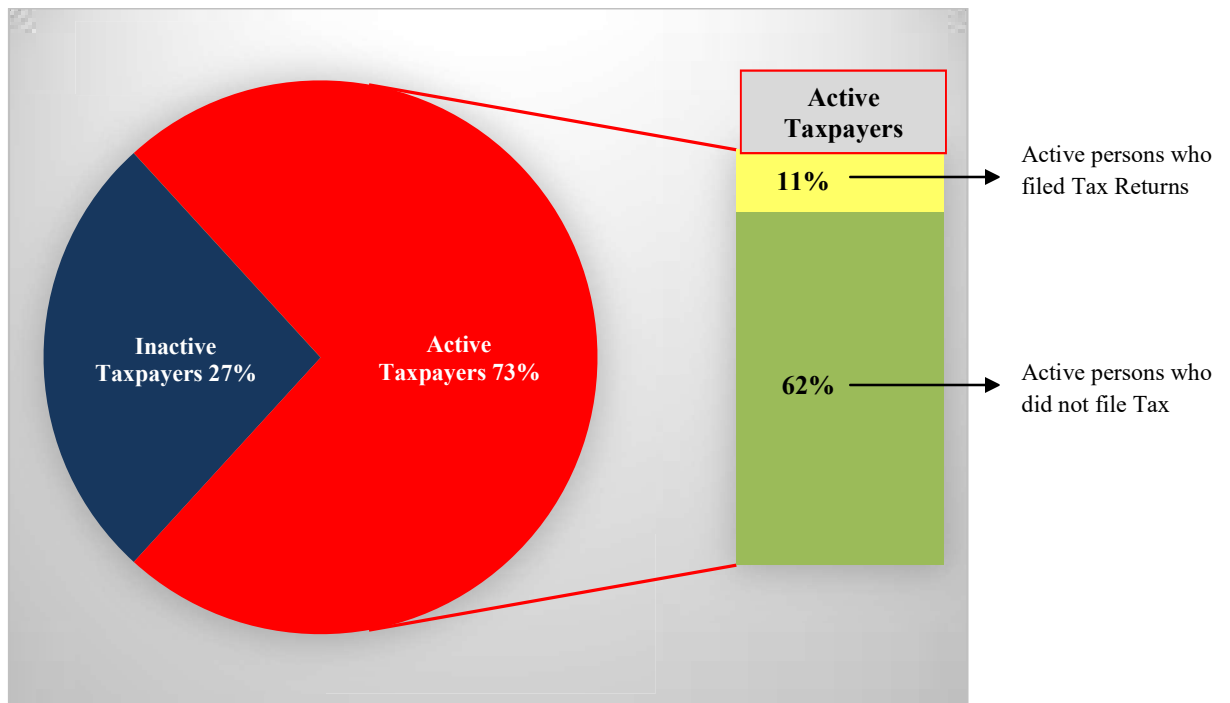


Internal Revenue

Prior year matters, which have not been resolved

146. The Department continued to experience difficulties in having all delinquent self-employed persons comply with the requirements of the Income Tax Act. As at 31 December, 2015, there were 126,669 registered self-employed persons. Of this amount, 93,157 persons were identified by the Department as active, however only 14,164 persons filed a total of 34,644 returns, resulting in collections totalling \$3.407 billion. Therefore, 78,993 self-employed persons did not file their tax returns. Similarly in 2014, the Department had identified 85,753 active persons as self-employed and amounts totalling \$3.490 billion were collected from 37,252 returns filed by taxpayers.

COMPARATIVE ANALYSIS OF SELF-EMPLOYED TAXPAYER FILINGS  
FOR THE YEAR 2015



**Figure 8**

*Department's Response:* The Department continues to issue demands to defaulting self-employed taxpayers for submission of outstanding tax returns, in addition to raising assessments in the absence of the returns.

Number of Demands issued in 2014	19,296
Number of Demands to be issued in 2015	17,605
Number of Demands continued to be issued in 2016	7,928

In light of the number of self-employed taxpayers not filing returns and the limited resources at the disposal of GRA, the Authority has adopted a risk management approach to prioritize the high risk taxpayers with great revenue implications.

*Recommendation:* The Audit Office once again recommends that the Department pursue all possible avenues to maximise revenue collection. (2015/43)

147. With respect to Professional Fees, amounts totalling \$5.795M were collected at the end of 2015, as compared with \$6.900M at the end of 2014, resulting in a decrease of \$1.105M. According to the register, a total of 210 applications for Professional Certificates were received of which 181 certificates were issued to applicants who filed their Income Tax Returns and paid all outstanding taxes. However, the TRIPS report showed that a total of 226 Professional Certificates were issued during the period under review. Further, the Conservatory Order instituted in October 2003 restraining the Guyana Revenue Authority from assessing and collecting increased fees from all professionals was still in effect and the matter had not been finalised. As a result of the restraining order, the Department was barred from collecting an additional sum of \$48.340M in professional fees.

*Department's Response:* Certificates are not issued to taxpayers who do not satisfy all the requirements. The number of certificates printed as per the TRIPS Report includes those printed at the Branch Offices in addition to those at Head Office.

*Recommendation:* The Audit Office recommends that the Department follow up with the Courts as to bring closure to this matter. In addition, a reconciliation of certificates printed and issued as per location should be prepared and submitted to the Audit Office. (2015/44)

148. In a related matter, the Department had stated in response to a follow-up on the prior year findings that it was in receipt of lists of registered professionals from the various professional bodies and that visits were conducted to gather information on those professionals who were not registered and to have them comply with the Tax Laws. A request was made in April 2016 for the lists and reports emanating from the visits and at the time of reporting in September 2016, the information was not presented for audit. As a result, the number of registered professionals in practice that had not purchased certificates could not have been ascertained. Evidence was seen whereby a total of 183 demand notices were dispatched to professionals who failed to apply for Professional Certificates.

*Department's Response:* Lists were received for Land Surveyors, Dentists, Chartered Accountants, and Architects and these were subsequently submitted to the Auditors. However, due to constraints (staff and motor vehicles), no visits or street surveys were done during the year. Alternatively, letters are being dispatched to the professional bodies. Demand letters are dispatched to known professionals by the Debt Management Division.

*Recommendation:* The Audit Office recommends that the Department follow-up with the various professional bodies to obtain the outstanding lists of registered professionals. In addition, a review of the lists and site visits should be carried out in order to identify defaulting professionals so that appropriate action can be taken. (2015/45)

149. The Department continued to experience difficulties as it relates to getting Corporations to comply with submitting their Corporation Tax Returns. During 2015, a total of 2,955 companies were identified as active, and only 786 tax returns were filed for the year. It was reported that 1,493 demanding notices were issued to defaulting companies for outstanding tax returns. Attempts to corroborate this information proved futile since the Companies Tax Returns Register was not produced for audit. In the circumstances, it could not be determined the number of defaulting taxpayers for the year. Similarly in 2014, of a total of 2,881 companies which were registered and deem active, 1,178 tax returns were filed and only 1,162 demand notices were issued to defaulting companies for outstanding tax returns.

*Department's Response:* The Guyana Revenue Authority continues to issue demands to defaulting companies. In addition, assessments in the absence of returns submitted are issued to defaulting companies and legal action is instituted against chronic non-filers.

Number of Demands issued in 2014	1,162
Number of Demands to be issued in 2015	1,493
Number of Demands continued to be issued in 2016	141

In light of the number of companies not filing returns and the limited resources at the disposal of GRA, the Authority has adopted a risk management approach to prioritize the high risk taxpayers with great revenue implications.

*Recommendation:* The Audit Office recommends that the Department take legal action against those companies that failed to submit annual returns as required under the Act and to put measures in place to ensure that there is adequate accountability for records so that these are produced for audit in a timely manner. (2015/46)

150. The Travel Voucher Tax Act requires airlines to pay taxes of 15% on the value of all tickets sold for travel originating from Guyana. Failure to comply with this requirement will result in a 15% penalty on the gross amount and \$50 for every day late. At the time of reporting in September, 2016 amounts totalling \$948,408, \$1.800M and \$2.896M representing penalties and interest in respect of the years 2014, 2012 and 2011 respectively, remained outstanding.

*Department's Response:* For the year 2014, the amounts outstanding are in relation to two airlines. In respect of one airline, penalties and interest amounting to \$82,552 and \$48,336 respectively were computed. A Demand for payment was subsequently issued to the airline and full payment of the interest was made. The airline also submitted for waiver of the penalty imposed, and the request is currently being addressed. In respect of the other airline, returns were submitted and have to be corrected since they were not in the required format to facilitate computation of penalties and interest for the period.

For the year 2012, penalty amounting to \$1.8M is due by one airline. This airline ceased operations and the penalty may not be recovered.

For the year 2011, penalty of \$2.896M is outstanding by one airline. The airline has filed for bankruptcy in Barbados. The GRA has filed a claim in Barbados for payment.

*Recommendation:* The Audit Office recommends that the Department take follow-up action to ensure that all outstanding Returns are promptly submitted. The Audit Office further recommends that the Department put systems in place to avoid recurrence of late payments. (2015/47)

151. In 2014, amounts totalling \$5.529M were remitted as Travel Voucher Tax for the period May to August 2014 by an airline however the related Returns/Schedules to support the amounts paid were not in the required format. For the period under review, the same airline along with an additional one, made payments totalling \$9.610M and \$679,000 respectively, at the time of reporting in September 2016. However, the related Returns/Schedules to support the amounts paid were also not in the required format. As such, the accuracy of the amounts remitted as Travel Voucher Tax could not be ascertained.

*Department's Response:* The airlines submitted all returns for the period during operation. However, these were not submitted in accordance with the format stipulated by the Travel Voucher Tax Act Chapter 80:09. A letter was sent to the airline explaining this and at a meeting held between the Legal Division, Debt Management Division and the Examination Section of GRA and with a representative of the airline. The representative indicated that the airline had submitted a letter explaining the difficulty in submitting the returns in the required format. Consequently, as of January 2016, it has been submitting the returns in the correct format and as such they are being posted when received. The other airline subsequently ceased operations on January 7, 2016.

*Recommendation:* The Audit Office recommends that the Department take follow up action to ensure that the outstanding returns/schedules are submitted in compliance with the requirements of the Travel Voucher Act by the airlines. (2015/48)

152. In a related matter, an airline which began operations on the 6 July 2013 had ceased all operations on 6 June 2015. However, there was no evidence that Travel Voucher Tax was remitted during the entire period of operation.

*Department's Response:* This airline is currently non-compliant in remitting Travel Voucher Taxes deducted from passengers. The Examinations Sections and Debt Management Division are actively pursuing the liability. Copies of demand letters sent to airline are attached.

*Recommendation:* The Audit Office recommends that the Department take follow up action to ensure that all outstanding liabilities are honoured by the airline. (2015/49)

153. The Administration has still not taken appropriate measures to monitor the status of all default matters and to ensure that cases pending are finalized in a timely manner. An examination of the Objections and Appeals Registers for 2015 revealed that the Administration received 682 cases whereby taxpayers objected to taxes totalling \$4.561 billion and penalties amounting to \$181.596M. At the time of the audit, the Department was unable to finalise 201 of the cases which resulted in the inability to collect potential taxes and penalties amounting to \$920.710M and \$51.032M, respectively. Similarly, for years 2008 to 2014, the Administration is still to finalise 400 cases where taxes and penalties in dispute amounted to \$4.438 billion and \$62.939M, respectively. The table below summarises the amounts in dispute for years 2008 to 2015.

Year	№ of Cases Received	№ of Cases to be finalized as at 31 August 2016	Taxes in Dispute \$'000	Penalties in Dispute \$'000
2008	1,388	43	81,612	1,098
2009	762	20	16,700	300
2010	962	37	2,833,200	3,200
2011	809	63	115,300	0
2012	327	36	174,200	5,400
2013	345	37	84,737	400
2014	408	164	1,132,104	52,541
Total	5,001	400	4,437,853	62,939
2015	682	140	861,085	45,291
Total	5,683	540	5,298,938	108,230

*Department's Response:* The Objection and Appeal Section continues to work to finalize Objection Cases on hand. However, we have been set back by a major factor for the cases registered for statute barred years in that tax returns (cases) cannot be located as they are said to be archived.

*Recommendation:* The Audit Office recommends that the Department continue in its efforts to locate all tax returns so that Objection Cases can be finalised as soon as possible. (2015/50)

154. In 2014, requests were made for the files of thirty-six taxpayers who had objected to the taxes assessed. The Department presented four files in February 2015 while another sixteen were presented in June 2016. At the time of the reporting in August 2016, the Department was still to present the remaining sixteen files.

*Department's Response:* The requested files are currently being used by various officers and can be examined at the convenience of the State Auditors.

*Recommendation:* The Audit Office recommends that the Department promptly produce all outstanding files and put systems in place to ensure that all files are presented for audit upon request. (2015/51)

155. A request was made on 30 June 2015 for a list of delinquent taxpayers as at 31 December 2014, to ascertain the amounts due and payable to the Department. The information was not provided for audit in September 2015 and it was explained that the Department was in the process of compiling a list of defaulting taxpayers for the previous three years. At the time of reporting in August 2016, the information remained un-presented. In the circumstances, it could not be determined the number of taxpayers who failed to honour their obligations and the total amount outstanding to the Department.

*Department's Response:* A taxpayer is deemed delinquent based on a number of reasons such as non-payment of taxes and outstanding tax returns. TRIPS data base is currently unable to give an accurate tax position for taxpayers' liability in totality based on various issues and challenges faced with inaccurate data, thus taxpayers are issued with a liability statement showing taxes outstanding and payments for them to respond. Interviews and examinations are subsequently conducted based on their responses and verification of payments along with the TRIPS information to derive the payments towards the correct tax type in order to derive the correct tax position.

*Recommendation:* The Audit Office recommends that the Department put systems in place to ensure that a database of delinquent taxpayers is created and upon completion, a list of delinquent taxpayers should be presented to the Audit Office. (2015/52)

156. In 2014, there were a total of 6,059 registered premises in Georgetown, East and West Bank Demerara, East and West Coast Demerara, and Linden. Of this amount 3,478 registrants did not renew their liquor licences. While the Department did not provide information on the number of registered premises for the period under review, the TRIPS Listing of Liquor Licence Payments by Location revealed that a total of 2,586 business owners purchased and/or renewed licences in 2015. The records of the Department also revealed that a total of 4,867 registrants did not renew their licences as follows:

Type of Business	G/ Town	East Coast Dem.	West Coast Dem.	East Bank Dem.	West Bank Dem.	№ of Defaulters	Average Licence Renewal Fees \$	Total Fees \$'000
Liquor	239	264	132	105	97	837	5,000	4,185
Spirit Shop	3	61	33	24	33	154	5,000	770
Hotel	95	63	4	18	5	185	5,000	925
Member's Club	43	17	11	10	3	84	5,000	420
Off Licences	321	381	142	428	87	1,359	500	679
Malt & Wine	848	751	222	281	146	2,248	750	1,686
Total	1,549	1,537	544	866	371	4,867		8,665

*Department's Response:* The Department has registers for all registered liquor licences, which fall within the vicinity of the Demerara District only and these registers were given to the auditors to review. The licence registers also have licence premises information from all areas, however, those licences are not renewed at Head Office but at the Regional Offices. Lists of the licences that fall within the vicinity of Essequibo and Linden are being compiled and will be sent to the various offices for verification.

*Recommendation:* The Audit Office recommends that the Department put systems in place to establish a database of registered premises. In addition, the verified lists of registered premises should be presented to the Audit Office. (2015/53)

157. There was no evidence that the Licence Revenue Office carried out field visits to determine whether the businesses in default were still in operation during the period under review and whether the owners upgraded their operations. In the absence of information on the status of the 4,867 defaulters, it could not be determined whether licences totalling \$8.665M were due for renewal.

*Department's Response:* Field visits were carried out with the Intelligence Unit in Georgetown based on complaints.

Corriverton – Of the eight (8) shops visits: five (5) were required to have liquor licences and three (3) were unlicensed for same.

New Amsterdam – Of the four (4) shops visits: Two (2) were required to have liquor licences and two (2) were unlicensed for same. It must be noted that at the time of the visit, the Berbice Liquor Licence Board did not sit and as a result, shops and retail/wholesale alcoholic beverages did not have in their possession an updated liquor license.

Linden – Of the three (3) shops visits all did not have liquor licences in their possession. This is as a result of the City Council not issuing a plan for the stall occupied by these vendors which is a fundamental requirement for a liquor license.

Parika – Of the six (6) shop visits all did not have liquor licenses in their possession.



*Recommendation:* The Audit Office recommends that the Department produce for audit examination, all inspection reports and to put systems in place to ensure that all defaulters are registered with the Guyana Revenue Authority. (2015/54)

158. The Trade and Miscellaneous Licences Registers were not properly maintained during the year 2015. It was observed that pertinent information such as business names and addresses were not always recorded therein and the register was not always updated with the information from the Renewals Ledgers. In addition, it was difficult and time consuming to ascertain the status of a licensee from the register since the licensee was not allocated a folio to record details of the payments made over the years. A similar observation was made in 2014 and it was explained in September 2015 that the Department was in the process of updating the registers. At the time of reporting in August 2016, the position remained the same.

*Department's Response:* The reason for pertinent information such as name and address not being recorded, simply arise from the licences not being carried forward in the new page in the register, and the fact that the register has sequence numbers and no information in some pages. The department is now in the process of allocating these sequence numbers to new application. All liquor licences, once renewed for the year are entered into a renewal ledger, with licensee name, address, file number and the payment receipt number.

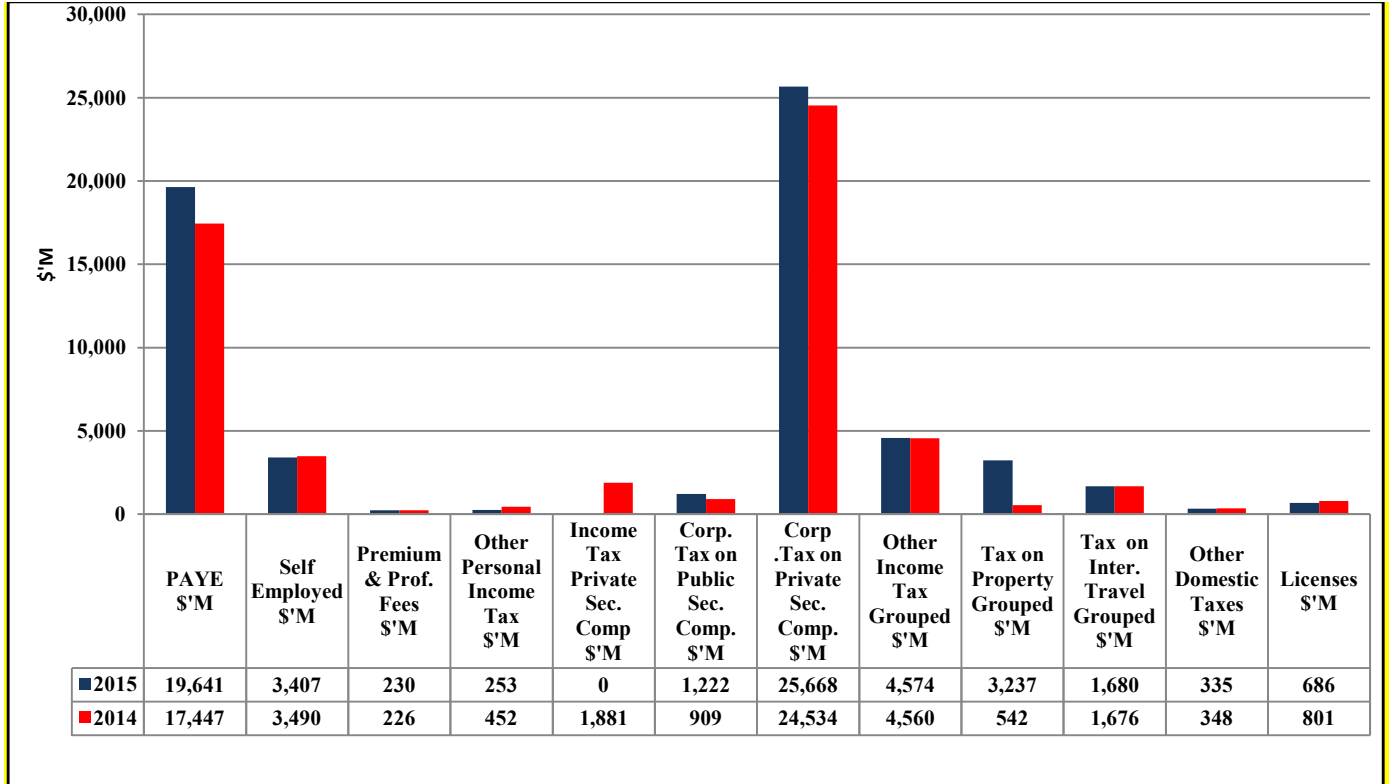
*Recommendation:* The Audit Office once again recommends that the Department take steps to ensure that the Trade and Miscellaneous Licences Registers are properly maintained to reflect all pertinent information for each licensee. (2015/55)

Current year matters, with recommendations for improvement in the existing system

159. Amounts totalling \$61.044 billion were collected and paid into the Consolidated Fund for the period under review, as compared to \$56.866 billion in 2014. This represents a 7.35% increase in collection over 2014. The table below shows a comparison of the amounts collected under the various categories of taxes for years 2014 and 2015.



COMPARATIVE ANALYSIS OF INTERNAL REVENUE PAID INTO THE  
CONSOLIDATED FUND FOR 2015 AND 2014



**Figure 9**

160. In accordance with the Income Tax Act, a Form II is required to be submitted each year for the previous year, on the total tax deductions made by each employer. However, an examination of the Forms II Register for the year 2015 revealed that of the 906 returns submitted by employers, eighty-four instances were observed where the returns were not reconciled by the Department. In addition, ninety-eight instances were observed where amounts on Forms II totalling \$360.406M were greater than the assessed amounts on the Forms V. Further, six instances totalling \$93.329M were noted where the amounts on the Forms V were greater than that reflected on the Forms II.

*Department's Response:* It is important to note that the Register to which the report refers contained information relating to Forms II received during the year 2015 and not necessarily Forms II which were related to the Year of Assessment 2015.

Of the 84 instances, where the returns were not reconciled, a review found that six (6) examinations have since closed and examinations are currently in progress for the remaining seventy-eight (78) files.

With regard to the 98 instances where it was observed that amounts on the Forms II were greater than the assessed amounts on the Forms V, the Unit has reconciled and closed seventeen (17) cases by way of payment, dispatched seven (7) 2nd notification of liability letters to the taxpayers; dispatched twenty-three (23) letters to taxpayers informing them of their liability, queried one (1) case, two (2) cases were in fact over-payments and as such the taxpayer is to be informed; and is in the process of reviewing forty-eight (48) cases to verify liability before preparing and dispatching letter. Where no responses are received from the taxpayer within the required timeline, the department will forward details of the liability to Debt Management Division for further action

With regards to the six taxpayers who were informed by letter that their Forms V were greater than their Forms II (over-payment) and from whom no response was received the following action was taken: (a) One (1) at row #4 deleted on advice of the Auditors; (b) Two (2) cases were reconciled/paid; and (c) Debt Management Division is to be informed of the remaining three (3) cases since the Department has no control over taxpayer's failure to response to over payment of PAYE notices.

*Recommendation:* The Audit Office recommends that the Department continue to investigate and reconcile the returns on a timely basis so any difference can be readily identified, clarified and corrected. (2015/56)

161. In a related matter, an examination of a sample of thirty taxpayers' files revealed twenty-six instances where sums totalling \$13.391M were under deducted from the earnings of the taxpayers'. At the time of reporting in August 2016, evidence was seen where letters were sent to only six of the taxpayers and none of the taxpayers honored their obligation to the Department.

*Department's Response:* The following action was taken by the Department: (a) Letters have been dispatched to 15 taxpayers informing them of their liability; (b) 2nd notification has been sent to two (2) taxpayers; failure to respond will result in the details of the liability being forwarded to the Debt Management Division and (c) in nine (9) instances, the file is being reviewed and letters are to be prepared for dispatch.

*Recommendation:* The Audit Office recommends that the Department continue to follow up with taxpayers to ensure all outstanding liabilities are settled in a timely manner. (2015/57)

162. The sum of \$663.838M represents amounts collected as Travel Tax paid by passengers departing from the two international airports. While the ticket stubs were presented for audit examination, the Department failed to present schedules showing the number of books issued to each airport, the weekly and monthly details of the tickets sold, cancelled and/or exempted in addition to the books unused at the end of the year. In the circumstance, the accuracy of the amounts remitted as Travel Voucher Tax could not be ascertained.

*Department's Response:* General Stores Stock book and CJIA's and Ogle Daily Issuing of Tickets to Cashier are available for examination by State Auditors.

*Recommendation:* The Audit Office recommends that the Department put systems in place to ensure that all records are provided for audit in a timely manner. (2015/58)

Revenue Accounting and Control  
Prior year matters, which have not been resolved

163. During the year under review, 149 cheques valued at \$211.727M were dishonoured. However, at the time of the audit in June 2016, only one cheque valued at \$2.065M remained on hand. Similarly for the years 2011 and 2013, five cheques valued at \$3.222M were still on hand at the time of reporting in September 2016.

Year	Nº of Cheques	Amount \$'000
2011	2	1,126
2013	3	2,096
Total	5	3,222

*Department's Response:* The Department acknowledged the comments of the Auditor General. The cheque for 2.065M was returned by the bank for the reason 'Drawer signature irregular'. The case was referred to Law enforcement and Investigations Divisions for recovery but the taxpayer indicated that he is no longer interested in uplifting the cargo – a motor vehicle. As a result, the vehicle was removed from storage on the wharf and placed in the Authority's warehouse at Eccles. The two cheques for 2011 along with the one from 2013 – Sass Gaming Investment for \$348,865, were referred to the Police for recovery however, these still remain outstanding. The remaining two cheques for 2013 amounting to \$1.749M were referred to Debt Management Division as tax for the second dishonoured cheque. Taxpayer requested a payment arrangement to settle liabilities. Taxpayer made payment totalling \$450,686 for the second dishonoured cheque. Based on returned filed by the taxpayer, the amount of \$1,298,084 is no longer owed by taxpayer.

*Recommendation:* The Audit Office recommends that the Department take steps to recover all outstanding amounts from taxpayers. If the efforts of the Department prove futile, the Audit Office recommends that the Department present a losses report to the Finance Secretary for any sums remaining uncollected to be written off. (2015/59)

164. During 2015, the Department maintained the following bank accounts on behalf of the Customs and Trade Administration, Licence Revenue and the Internal Revenue Department. An examination of the bank statements for the entire period under review revealed large reconciling differences and efforts to ascertain the reasons for the differences proved futile. A similar observation was noted during the 2014 audit. In response, the Department had indicated on 9 June 2016 that steps were being taken to write the Finance Secretary and Accountant General to have the amounts written off. At the time of reporting, the position remained the same and there was no evidence of efforts made to have the amounts written off.

Account №	Name of Bank	Closing Balance as at 31/12/2015 \$'000	Reconciling Difference \$'000
654-463-9	Republic Bank	19,675	23,003
0162500447001	Bank of Guyana	2,108,460	18,251
654-462-1	Republic Bank	102,379	9,962
01625004470	Bank of Guyana	190,695	3,153
0162500447002	Bank of Guyana	36,267	751

*Department's Response:* The Department acknowledged the comments of the Auditor General. Revenue Accounting was tasked with reconciling the revenue related bank accounts and one of the major limitations affecting this exercise was the absence of records and the non-maintenance of cash books for the earlier years. As such, when the reconciliations were redone from 2012, these unreconciled amounts were arrived at based on the information readily available from either the bank statements or the cash books. It has to be pointed out that these unreconciled differences have been remained static since the first reconciliation was prepared. Some initial work was done towards having this matter brought to the Finance Secretary attention, but this has to be finalised.

*Recommendation:* The Audit Office recommends that the Department continue to follow up with the relevant authorities so as to bring closure to this matter. (2015/60)

165. In relation to account № 654-463-9 held at Republic Bank, the reconciliation statement for the month of December 2015 revealed an amount of \$12.542M reflected as deposits not on bank statement. This amount represents deposits made on 7 January 2014, 8 January 2014, 10 February 2014 and 23 November 2015. The reason for the delay in bringing to account the amount of \$12.542M could not be ascertained. Similarly for the month of December 2014, the bank reconciliation statement reflected the sum of \$11.850M as deposits not on bank statement.

*Department's Response:* The Department acknowledged the comments of the Auditor General. The Bank Reconciliation Statement for Republic Bank Account No. 654-463-9 was not harmonised with the other accounts until January 2014. As such, cash book entries for 7th and 8th January 2014 etc. represents deposits made in December 2013 (but not in Cash Book). The November 2015 deposit not on Bank Statement occurred as a result of the bank stamping the deposit slips with November 23, 2015 but the entry was made on the bank statement on November 23, 2015. A compensating reconciling entry is under 'Deposit not in Cash Book'.

*Recommendation:* The Audit Office recommends that the Department take follow up action on this matter with a view of bringing to account the amounts not deposited into the bank accounts. (2015/61)

166. Account № 654-462-1 held at Republic Bank reflected a closing balance of \$102.379M as at 31 December 2015. An examination of the reconciliation statement for the month of December 2015, revealed the sum of \$43.818M reflected as deposits not on bank statement. Included in the amount, were sums totalling \$7.464M which represent deposits made in June and July 2013, September and October 2013, and December 2013. The reasons for bringing the amounts up to date could not be ascertained.

*Department's Response:* The Department acknowledged the comments of the Auditor General. The deposits reflected as part of 'Deposits not on Bank Statement' totalling \$36.354M were revenue for December 28 to 31, 2015 which was credited on the Bank Statement on January 2016.

*Recommendation:* The Audit Office recommends that the Department take follow-up action on this matter with a view of bringing to account the amounts not deposited into the bank accounts. (2015/62)

### Other Matters

167. An Internal Audit Department was established to add value and to improve the Authority's operations. The Department was tasked with evaluating the systems and procedures in operation and recommending ways to effectively improve those systems and procedures. An examination of the organisation chart revealed that the Department is headed by a Senior Manager who reports to the Head of Operational Support Services who in turn, reports to the Commissioner General. This structure impinges on the independence of the Department since there is a lack of organizational independence from management which can result in a failure of the auditors to effectively perform their roles and responsibilities.

*Department's Response:* The Internal Audit Committee has approved an Internal Audit Charter for the Division as at January 2016 and as such the Senior Manager currently reports to the Internal Audit Committee but functionally to the Commissioner General. The Organizational Chart is currently being updated to reflect changes within the Authority.

*Recommendation:* The Audit Office recommends that Management submit the Organizational Chart for examination as soon as it is updated. (2015/63)

168. The Guyana Revenue Authority computerised part of its operations in April 1996 with the introduction of the Automated System for Customs Data (ASYCUDA). The new system was designed to administrate the customs process and covered most foreign trade procedures. It processes manifests, customs declarations, and other forms while ensuring tariffs on imports and exports are assessed according to governing regulations. It was later upgraded to Version 3 (ASYCUDA++) in January 2003 however, the functioning of the system was limited and needed improvement, and this led to the implementation of the Total Revenue Integrated Processing System (TRIPS) on 1 January 2007.

169. TRIPS, a fully integrated modular system to manage government revenues, was designed and produced by Crown Agents. It was introduced with the aim of boosting efficiency in the assessment, collection and accounting for revenue. It comprises two core applications: Taxes and Customs, which share information with each other and each application encompasses a total of 13 modules as follows:

No.	Name of Module	Purpose
<b>CUSTOMS MODULES</b>		
1	Lodgement	Lodgement of customs declarations
2	Data Entry	Entry of data from customs declarations
3	Goods Inspection/ Enforcement, Valuation & Document Check	Checkpoints
4	Risk Profiling	Identification & treatment of risks
5	Cashiering	Collection and accounting for all receipts
6	Release	Release of goods
7	Remissions	Processing remissions
8	Warehouse	Warehousing of goods via declarations
<b>TAX MODULES</b>		
9	Taxpayer Identification	Creation of Tin, registration & de-registration process
10	Tax	Processing Tax Returns
11	Accounting	Allocation & adjustment of Taxpayers payments
12	Audit	Processing of Tax Compliance certificates
13	Reports/Notices/Certificates	Printing of reports, notices and certificates

170. In addition to TRIPS, there are other applications that provide support to this core system. These applications use information from TRIPS or transfer information to TRIPS.

171. The Authority is now considering the re-introduction of ASYCUDA for the purpose of improving Customs operations and upgrading TRIPS with the modification that it focuses only on taxation. The TRIPS II Project is therefore expected to address the majority of existing issues and introduce new features towards improved tax operations.

AGENCY 04

MINISTRY OF FOREIGN AFFAIRS

172. Unspent balances approximating G\$109.241M that existed as at 31 December 2015 were paid over late to the Consolidated Fund. This was not in keeping with the requirements of Section 43 of the Fiscal Management and Accountability Act 2003, which requires any unexpended balance of public moneys out of the Consolidated Fund to be returned and surrendered to the Consolidated Fund at the end of each fiscal year. The following are details:

List of Missions	Date of Refund	Foreign Currency	Amount G \$'000
Guyana High Commission, London	24.06.2016	(GBP)10,608.18	3,255
Guyana High Commission, India	04.04.2016	US\$ 105,210	21,671
Guyana High Commission, Ottawa	15.03.2016	(CDN)59,470	9,229
Guyana Embassy, Washington	14.06.2015	US\$ 7,048	1,452
Guyana Embassy, Caracas	03.08.2016	US\$ 41,478	8,544
Guyana Embassy, Suriname	05.04.2016	US\$ 9,884	2,036
Guyana Embassy, Beijing	08.06.2016	US\$ 52,847	10,886
Guyana Embassy, Brazil	22.03.2016	US\$ 33,116.26	6,821
Guyana Embassy, Brussels	08.04.2016	US\$ 50,890	10,483
Guyana Permanent Rep, New York	18.03.2016	US\$ 28,309	5,831
Guyana Consulate, Nickerie	12.04.2016	US\$ 18,339	3,778
Guyana Consulate General, New York	18.03.2016	US\$ 22,012	4,534
Guyana Consulate, Barbados	18.03.2016	US\$ 32,179.62	6,649
Guyana Consulate, Toronto	14.04.2016	US\$ 21,510	4,431
Guyana Consulate, Boa Vista	29.06.2016	US\$ 46,806.12	9,641
Total			109,241

*Ministry's Response:* The Missions have to be advised by Head Office about the amount of unspent balances to return. This is done after the Head Office completes the reconciliation of their respective accounts. It must be pointed out that most of the Missions do not have Home based accountants or trained locally recruited staff to perform the accounting duties. This results in the required documents being received late.

*Recommendation:* The Audit Office once again recommends that the Ministry of Foreign Affairs take steps to ensure that Missions comply with Section 43 of the Fiscal Management and Accountability Act (2003) as it relates to unspent balances. (2015/64)



173. Unspent balances totalling \$13.900M for the fiscal year 2015 as shown in the table below were not remitted at the time of reporting. It should be noted that the appropriation accounts for the Ministry of Foreign Affairs were overstated by the said amounts.

Overseas Missions	Amount \$'000
Guyana Embassy, Havana	6,121
Guyana High Commission, South Africa	3,667
Guyana Embassy, Kuwait	4,112
Total	13,900

*Ministry's Response:* These Missions are currently in the process of refunding the unspent balances.

*Recommendation:* The Audit Office once again recommends that the Ministry of Foreign Affairs take steps to ensure that Missions comply with Section 43 of the Fiscal Management and Accountability Act (2003) as it relates to unspent balances. (2015/65)

174. The main bank accounts of the Missions listed in the table below were affected by twenty-one outstanding advances totalling \$7.485M, all of which relate to years prior to 2009. Of the advances, a significant amount was in relation to Heads of Missions' attendance at official conferences overseas. The issuing of such advances from operational funds of Missions was not in keeping with established procedures, which require the Accountant General's Department of the Ministry of Finance, under which funds were allocated for such purposes, to issue such advances and account for these transactions.

Overseas Mission	Number of Advances	Foreign Currency US\$	Amount G\$ '000
Guyana Embassy, Washington	17	34,840.93	7,195
Guyana's Permanent Mission	4	1,407.28	290
Total			7,485

*Ministry's Response:* The Ministry has resubmitted conference clearance forms for the clearance of the outstanding advances to the Accountant General.

*Recommendation:* The Audit Office recommends that the Ministry of Foreign Affairs follow-up with the Accountant General's Department to bring closure to this matter. (2015/66)

175. The High Commissions, Embassies and Consulates did not remit its monthly revenue collections on a timely basis to the Consolidated Fund as shown in table below.

Overseas Missions	Period of Revenue	Date paid over	Amount
Guyana High Commission, London	February - March 2015	17.04.2015	(GBP) 3,715
	October - November 2015	31.12.2015	(GBP) 5,077
	December 2015	04.02.2016	(GBP) 3,111
Guyana High Commission, Ottawa	February - March 2015	08.05.2015	(CDN) 1,105
Guyana High Commission, India	January 2015	17.03.2015	US\$ 19,833.49
	February - May 2015	22.06.2015	US\$ 27,741,389
	June - July 2015	14.8.2015	US\$ 8780.32
Guyana Embassy, Caracas	January 2015	07.05.2015	US\$ 8302.67
	February - March 2015	23.11.2015	US\$ 19,779.23
Guyana Honorary Consulate, Trinidad and Tobago	October 2014	20.10.2015	US\$ 6,304
	November 2014	23.10.2015	US\$ 5,159.92
	December 2014	18.11.2015	US\$ 2,562.59

*Ministry's Response:* There are months when revenue collection is very minimal and therefore the bank charges to remit such amounts are higher than the revenue collected.

*Recommendation:* The Audit Office recommends that the Ministry of Foreign Affairs ensure that all revenues are remitted promptly to the Consolidated Fund in accordance with Section 26 of the Regulations to the FMA Act. (2015/67)

#### Consulate

176. It should be noted that revenue was not remitted for the following Consulates for the periods stated in the table below:

Embassy/ Consulate	Revenue Status
Guyana Honorary Consulate, Trinidad and Tobago	August - November 2015
Guyana Honorary Consulate, Miami	January - June, August - September and November - December 2015

*Ministry's Response:* The Honorary Consulate in Trinidad and Tobago remitted revenue up to July 2015. They have indicated that there is a difficulty obtaining United States currency.

They were advised to remit all outstanding revenue through Republic Bank, in the local currency to Republic bank in Guyana for credit to the Government of Guyana Consolidated fund account, held at Bank of Guyana

The Honorary Consulate in Miami has submitted revenue but has been requested to advise on the period.

*Recommendation:* The Audit Office recommends that the Ministry of Foreign Affairs ensure that all revenues are remitted promptly to the Consolidated Fund in accordance with Section 26 of the Regulations to the FMA Act. (2015/68)

#### AGENCIES

01 - OFFICE OF THE PRESIDENT

14 - PUBLIC SERVICE MINISTRY

24 - MINISTRY OF NATURAL RESOURCES & ENVIRONMENT

**05 - MINISTRY OF PRESIDENCY**

177. The Ministry of Presidency is a new Agency which replaced the Office of the President. As such, expenditure for the first eight months (January-August) was budgeted for as Agency 01 – Office of the President, while the last four months (September to December) was budgeted under the new Agency 05 – Ministry of Presidency. In addition, the current and capital appropriations for the Public Service Management (formerly Agency 14 - Public Service Ministry), Natural Resources Management (formerly Agency 24 - Ministry of Natural Resources and Environment) and Citizenship and Immigration Services for the last four months of 2015 were captured under the new Agency 05 – Ministry of Presidency Programmes 3, 4 and 5 respectively.

Prior year matters, which have not been resolved

#### Current Expenditure

178. The sum of \$831.396M was allotted for Subsidies and Contributions to Local Organisations during the year and amounts totalling \$831.318M were expended. Of this amount, the sum of \$483.791M was released to six statutory entities that are under the control of the Ministry and are subject to separate financial reporting and audit. The table below summarises the status of related audit reporting, including details on the progress of outstanding audits. As can be noted, at the time of reporting, all audited reports were laid in the National Assembly.

Entity	Current Amount \$'000	Year of Last Audit	Last Report laid in National Assembly	Remarks
Guyana Office for Investment	73,410	2013	2013	Finalising report for 2014. Field work completed for 2015.
Guyana Energy Agency	83,680	2014	2014	Financial Statements received for 2015. Audit for 2015 contracted out.
Institute of Applied Science & Technology	159,594	2011	2011	Finalising audit reports for 2012 to 2014. Audit for 2015 contracted out and in progress.
National Communications Network	69,507	2012	2012	Finalising audit reports for 2013 & 2014. Financial Statements received for 2015. Audit for 2015 contracted out.
Government Information Agency	80,414	2012	2012	Finalising audit reports for 2013 & 2014. Audit in progress for 2015.
Integrity Commission	17,186	2014	2014	Financial Statements not received for 2015 received.
Total	483,791			

*Ministry's Response:* The Head of Budget Agency explained that the Ministry will continue to have the audited reports laid in the National Assembly and ensure that the Financial Statements for the Integrity Commission for the year 2015 submitted shortly to the Audit Office.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency follow up with the Integrity Commission to have the outstanding Financial Statements submitted for audit. (2015/69)

#### Capital Expenditure

179. In 2010, an amount of \$846.451M was voted for the Lethem to Providence E-Government Project and according to the Appropriation Account the full amount was expended in that year. Notwithstanding this, the Project's records revealed that a sum of \$777.635M was deposited into an escrow account at a commercial bank, while direct disbursements to a local contractor for the execution of civil works accounted for the difference of \$68.816M.

180. The expenditure from the sum of \$777.635M, as at 31 December 2012, was \$745.335M, as a result of expenditure totalling \$241.551M, \$434.075M and \$69.709M that were expended in the respective years 2010, 2011 and 2012. Amounts totalling \$170M were also paid into the escrow account during 2012, which resulted in a closing balance of \$202.300M as at 31 December 2012. In the year 2013, amounts totalling \$97.269M were expended, leaving a balance of \$105.031M as at December 2013. During 2014, amounts totalling \$129.589M were also paid into the escrow account, bringing the total amount available to \$234.620M. Amounts totalling \$133.900M were expended, resulting in a closing balance of \$100.720M as at 31 December 2014.

181. The sum of \$25.747M which represented releases for December 2014 was deposited into the project's escrow account in January 2015, bringing the amount available for the year to \$126.467M. During the year, there were nine payments totalling \$36.475M, resulting in a balance of \$89.992M as at 31 December 2015. Five of the nine payments totalling \$19.093M were made during the period January to August 2015, while the remaining four were made during the period September to December 2015. Details of the payments are shown in the table below:

Description	Amount \$'000	Period Paid
Installation and commissioning of video surveillance camera at thirty (30) E Governance Long Term Evolution (LTE) sites	13,601	Jan – Aug
Supply, installation and commissioning of a fuel monitoring system at E Governance LTE sites	3,862	Jan – Aug
Construction of concrete bases for solar panels and the extension of fence	1,520	Jan – Aug
Construction of guard hut	105	Jan – Aug
Bank Charges	5	Jan – Aug
Supply, installation and commissioning of a fuel monitoring system at E Governance LTE sites	12,873	Sept- Dec
Engineering, installation and testing of 3.5 km single mode fibre optic cable and network cabling	3,749	Sept- Dec
Payment for audit for fibre optic ( Lethem to Providence)	756	Sept- Dec
Bank Charges	4	Sept- Dec
<b>Total</b>	<b>36,475</b>	

182. Despite repeated requests, the payment vouchers and supporting documents in relation to four payments totalling \$19.088M made during the period January to August 2015 were not submitted for audit examination. As a result, the completeness, accuracy and validity of the payments could not be verified.

183. Amounts totalling \$20.720 billion were budgeted for the years 2009 to 2015, whilst the sums of \$353.549M and \$170M were issued as Contingency Fund Advances in 2009 and 2012, respectively, giving a total sum of \$21.244 billion available for the period. The sum of \$13.666 billion was expended to date as shown below, with amounts totalling \$2.533 billion, relating to 2015.

Years	Budgeted \$'000	Contingency Fund Advance/ Supplementary \$'000	Revised Budget \$'000	Amounts Expended \$'000
2009	Nil	353,549	353,549	353,549
2010	1,686,451	Nil	1,686,451	846,451
2011	4,347,000	Nil	4,347,000	2,947,200
2012	6,580,000	170,000	6,750,000	3,529,967
2013	4,586,901	Nil	4,586,901	2,565,587
2014	889,385	Nil	889,385	889,385
2015	2,630,555	Nil	2,630,555	2,533,364
Total	20,720,292	523,549	21,243,841	13,665,503

184. During 2015, the sum of \$2.533 billion was expended on the final payment for fifty-four LTE sites, supply of telecommunication equipment, payment for nine thousand, six hundred and nine Great Walls laptops and purchase of office vehicles and office equipment. Details of the expenditure are shown in the table below:

Description	Amount \$'000
Purchase of 9,609 laptops	1,607,228
54 LTE sites	891,459
Purchase of office equipment	17,727
Purchase of telecommunication equipment	10,950
Purchase of 4 mini vans	6,000
Total	2,533,364

185. The nine thousand, six hundred and nine laptops paid for during 2015 were received in April 2016, and were physically verified. One hundred and twenty-eight of these laptops were issued during September 2016, and the difference of nine thousand four hundred and eighty-one was still in stock. In addition, there were two thousand nine hundred and fifty-nine damaged laptops on hand at the E-Governance Unit.

186. A police report was still being awaited in relation to the one hundred and three stolen laptops previously reported.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry will follow up with the Guyana Police Force on the status of the matter.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency follow up the matter with the Guyana Police Force. (2015/70)

187. With respect to the fibre optic, Lethem to Providence, as was previously reported an independent assessment was done and it was reported that damages occurred at various locations within the project area due to poor installation and handling by contractors, washing away of interior roads and during the four-lane expansion road project.

*Ministry's Response:* The Head of Budget Agency acknowledged this finding. The functions of the unit are currently under the Ministry of Public Telecommunications.

188. It was noted that a cash book was not kept and maintained by the Unit. However, the bank statement reflected a balance of \$164.948M as at 31 December 2015. In addition, certified bank reconciliations were not prepared and presented for audit verification.

*Ministry's Response:* The Head of Budget Agency acknowledged this finding and explained that the Ministry is in the process of preparing cash book and bank reconciliations.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that monthly reconciliation statements are prepared and submitted for audit examination. (2015/71)

#### Warrants Received

189. One warrant was received from the Ministry of Tourism, Industry & Commerce in the sum of \$100M for the construction of a Rice Cereal Plant at Anna Regina, Region No. 2. The full amount was paid to the Institute of Applied Science and Technology in January 2015 for the construction of the plant. The works consisted of construction of a building, bridges, fence and security huts and purchase of office furniture, computers, plant and machinery. As at September 2016, the sum of \$79.768M was expended as follows. At the time of reporting in September 2016, the difference of \$20.232M was verified as being retained in the Institute's bank account as a balance on the acquisition of equipment for the factory.

Description	Amount Expended \$'000
Construction of factory	67,239
Supply of computers & furnishing	6,233
Construction of bridges	3,462
Construction of fence	2,834
Total	79,768

190. Audit checks revealed that the sum of \$7.608M was paid to a supplier in August 2016 as thirty percent (30%) advance on the supply of equipment for the factory.

*Ministry's Response:* The Head of Budget Agency explained that the equipment is expected to arrive in the country by December 2016 and commissioned by the end of January 2017.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that the equipment is delivered and installed. Also, that the stipulated timelines are met. (2015/72)

Stores and Other Public Property

191. The Ministry continued to breach the requirements of the Stores Regulations 1993, more specifically Sections 23, 24 and 28, in that, the Master and Sectional Inventories were not updated with items purchased during the year and, Permanent Stores were not marked so as to be readily identified as Government property. In addition, it was also noted that the Register of Permanent Stores was not updated with items purchased during the year.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is currently in the process of having the assets marked and the Master and Sectional Inventories updated.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency put systems in place to ensure there is strict compliance with the Stores Regulations. (2015/73)



Programme 1 – Policy Development and Administration

Programme 2 - Defence and National Security

Current year matters, with recommendations for improvement in the existing system

Capital Expenditure

Purchase of Equipment

192. The sum of \$107M was allotted for the procurement of office equipment. A Contingency Fund Advance in the sum of \$48.626M was received bringing the total funds available to \$155.626M. According to the Appropriation Account amounts totalling \$144.887M were expended. Included in the sum of \$144.887M expended was an amount of \$19.108M which was paid to an overseas supplier on 14 December 2015 for the Procurement of supplies and installation of CCTV systems at the National Intelligence Centre. At the time of reporting in September 2016, the Ministry was still not in receipt of the items.

*Ministry's Response:* The Head of Budget Agency explained that the matter is currently engaging the attention of the Minister of Legal Affairs for advice.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency pursue the matter with the Minister of Legal Affairs. (2015/74)

193. The difference of \$125.779M was used to procure security systems, computers and laptops, office furniture, air conditioning units and office equipment. A physical verification was carried out to determine the receipt, marking and location of the items purchased. However, items totalling \$14.905M could not be located.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is working on documenting the location of the items.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency implement systems that will ensure strict compliance with the Stores Regulations. (2015/75)

Infrastructural Works

194. The sum of \$12M was allotted for the provision of fence and perimeter lights and amounts totalling \$11.679M were expended. The contract for erecting of fence and security lights at Building E Castellani Compound was awarded through sole sourcing in the sum of \$11.697M and amounts totalling \$11.679M were paid to the contractor as at 31 December 2015. Based on the physical measurements taken on site and calculations, the following overpayments were discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid (G\$)
	6' x 75' x 10 gauge chain link fencing welded to 2" dia. galv pipe	550	514	Sy	36	1,400	50,400
	2" dia. galvanise pipe 20' length to accommodate security lights at 16' centers	49	23	len.	26	9,500	247,000
	6" cores of 4" x 8" x 16" h.c.b imbedded on top of foundation in 5/8" sand and cement mortar	3500	2900	no.	600	225	135,000
	Rendering both sides of h.c.b walls to a smooth finish	6860	5610	sq.ft	1,250	150	187,500
	2" x 8" copings rail on top of block work. Rendering top sides and edges	2325	777	lf	1,548	100	154,800
	Fabricate and weld 2" dia. galv.pipe rails, 1 top and 1 bottom and 2' to accommodate razor wire	2940	0	ins	2,940	200	588,000
	MH Security lights	50	23	No.	27	35,000	945,000
Total							2,307,700

*Ministry's Response:* The Head of Budget Agency has accepted the findings and is currently in the process of recovering the overpayments.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency takes immediate action to recover the amount overpaid. In addition, the Ministry must ensure that completed works are accurately measured and quantified before payments are made to Contractors. (2015/76)

#### Capital Subvention

195. Amounts totalling \$21.038M were transferred as capital subvention to two agencies during the period under review. One agency is subject to separate financial reporting and audit. Nonetheless, it was noted that the Ministry took definitive action to have the audit reports issued laid in the National Assembly. The table below gives the status of related auditing reporting, including details on the progress of the audit:

Agency	Amount \$'000	Last Audited Report	Last Report Laid in National Assembly	Remarks
Guyana Energy Agency	10,038	2014	2014	2015 Financial Statements received. Audit of 2015 contracted out.
Civil Defence Commission	11,000	-		
Total	21,038			

196. With respect to the \$10.038M paid to the Guyana Energy Agency, the amount was expended for:

- i. the installation of ten solar powered street lights on utility poles along the Linden/Soesdyke Highway;
- ii. purchase of sixty-five LED street lamps; and
- iii. purchase of one complete 10KW Grid Tie Solar Photovoltaic System

197. The items were physically verified as having been received and properly brought to account, with the exception of eight solar powered street lights.

*Ministry's Response:* The Head of Budget Agency explained that the items were stolen and a report was made to the Police.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency follow up the matter with the Police. (2015/77)

198. According to the records kept at the Civil Defence Commission, the sum of \$11M was expended on the:

- i. establishment of Regional disaster system, conduct risk assessment and develop risk maps; Design and develop risk vulnerability and hazard maps for Regions 2 and 3; and
- ii. training at the basic level of disaster management, to test the operational capabilities of selected Regions and to operationalise the Regional preparedness and response plan of the identified Regions.

Programme 3 –Public Service Management

Prior year matter, which has not been resolved

199. During 2014, the sum of \$671.432M was allotted for Training including Scholarships. A Contingency Fund Advance in the sum of \$215.520M was also issued, bringing the total funds available to \$886.952M. According to the Appropriation Accounts, the sum of \$886.951M was expended during 2014. A summary of the expenditure is shown in the table below:

Category of Expenditure	Amount \$'000
Inter-Department Allocation Warrants	652,200
Training Cost	231,555
Purchases	1,805
Advertisement	1,391
Total	886,951

200. Ten (10) Inter-Department Allocation Warrants totalling \$652.200M were issued to the Office of the President for payment of tuition, airfare, accommodation, stipend, allowances, etc. Audit checks revealed that amounts totalling \$652.013M were expended; whilst, the balance of \$187,000 remained in the Consolidated Fund. At the time of reporting, matters involving expenditure totalling \$244M were attracting the attention of the Court.

*Ministry's Response:* The Head of Budget Agency acknowledged the finding.

*Recommendation:* The Audit Office recommends that Head of Budget Agency pursue the matter to finality and put stricter measures in place to prevent a recurrence. (2015/78)

Current year matters, with recommendations for improvement in the existing systems

Current Expenditure

Goods and Services Purchased

201. During 2015, the sum of \$915.329M was allotted for Training including Scholarships. Two Allotment Transfers totalling \$36.833M were made reducing the total funds available to \$878.496M. According to the Appropriation Accounts, the sum of \$772.065M was expended during 2015. A summary of the expenditure is shown in the table below:

Category of Expenditure	Amount \$'000
Inter-Department Allocation Warrants	271,000
Training Cost	468,067
Purchases	30,321
Advertisement	2,677
Total	772,065

202. Five Inter-Department Allocation Warrants totalling \$271M were issued to the Office of the President for payment of tuition, airfare, accommodation, stipend, allowances, etc. Audit checks revealed that amounts totalling \$261.759M were expended; whilst, the balance of \$9.241M remained in the Consolidated Fund. The table below gives details of the expenditure:

Description	Amount \$'000
Public Service Performance Evaluation	120,720
Allowances and Tuition	117,334
Financial Assistance for Students	18,900
Air-fare for Students	2,822
Meals and Training Costs	1,344
Purchase of Four (4) Computers	639
	261,759

203. Audit examination of the Register of Students revealed that pertinent information such as benefits and allowances payable to the students were not recorded. In addition, it was also observed that all the Institutions to which the Ministry pays tuition fees were not recorded in the register. In the circumstance, reliance could not be placed on the accuracy of the information in the Register.

*Ministry's Response:* The Head of Budget Agency explained that the Register is continuously being improved.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that all pertinent information is recorded in the Register of Students. (2015/79)

204. At the time of reporting, matters involving expenditure totalling \$120.727M in respect of payments for Financial Assistance for Public Service Performance Evaluation in the ten Administrative Regions were attracting the attention of the Courts; whilst, the Audit Office was also conducting an investigation into a transaction in the sum of \$18.900M for the payment of financial assistance for students studying in Cuba.

*Ministry's Response:* The Head of Budget Agency explained that there is an ongoing investigation in the matter.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency pursue the matter to finality and put stricter measures in place to prevent a recurrence. (2015/80)

Programme 4 - Natural Resources Management

Current year matter, with recommendation for improvement in the existing systems

Current Expenditure

205. The sum of \$608.071M was transferred to four agencies under the control of the Ministry as subsidies and contributions and capital subventions during the year of audit. The amounts were verified as having been received by the respective agencies. These agencies are subject to separate financial reporting and audit. Nonetheless, it was noted that the Ministry took definitive action to have the audit reports issued laid in the National Assembly. The table below gives the status of related audit reporting, including details on the progress of audits.

Agency	Amounts \$'000	Last Audit Report	Last Report Laid in National Assembly	Remarks
Guyana Lands and Surveys Commission	122,043	2009	2009	Audit for the years 2010 to 2015 contracted out. 2010 is being finalised.
Environmental Protection Agency	243,188	2014	2014	Audit in progress for 2015.
National Parks Commission	176,630	2007	2007	Finalising 2008 to 2012. No other Financial Statements received.
Protected Areas Commission	66,210	-		Audit in progress for the years 2012 & 2013. Financial Statements received for the years 2014 and 2015.
<b>Total</b>	<b>608,071</b>			

*Ministry's Response:* The Head of Budget Agency explained that all outstanding Financial Statements have since been submitted to the Audit Office.

Capital Expenditure

Forest Carbon Partners

206. The sum of \$25M was allotted for (i) institutional strengthening and consultations for Reduced Emissions from Deforestation and Forest Degradation (REDD+) readiness, (ii) the REDD+ Strategy and Implementation Framework and (iii) monitoring and evaluation of Readiness activities. However, the proposed Agreement between GOG and IDB was not finalised. As a result, no expenditure was incurred during the year.

*Ministry's Response:* The Head of Budget Agency explained that the amount was not expended because the proposed agreement between the Government of Guyana and the Inter-American Development Bank was not finalised.

AGENCY 11  
GUYANA ELECTIONS COMMISSION

207. In accordance with the Fiscal Management and Accountability (Amendment) Act No. 4 of 2015, and with effect from 1 September 2015, the Guyana Elections Commission (GECOM) shall be financed as a direct charge on the Consolidated Fund, determined as a lump sum by way of annual subvention approved by the National Assembly after a review of the entity's annual budget as a part of the process of determination of the National Estimates. GECOM shall manage its subvention in such a manner as it deems fit for efficient discharge of its functions, subject only to conformity with financial practices and procedures approved by the National Assembly to ensure accountability and all revenues shall be paid into the Consolidated Fund. GECOM was in receipt of Appropriations from the Ministry of Finance for the period January to August, 2015.

208. Section 80 (1) of the FMA Act states 'A Statutory body shall, as soon as practicable and in all events not later than four months after the end of the fiscal year established for the Statutory body, or if no fiscal year has been established, after the end of each calendar year, submit an annual report to the concerned Minister.' At the time of reporting Financial Statements for the period 1 September to 31 December 2015 were submitted and the audit was in progress.

Prior year matters, which have not been resolved

Current Expenditure

209. Further, the Stores at Coldingen continued to be cluttered with items that had become obsolete and unserviceable. The unserviceable items were generally kept with other items of stock, instead of in a separate storage facility.

*Commission's Response:* The Commission disposed of its approved list of obsolete items and is working on the rehabilitation and computerization of the Stores to improve reporting.

*Recommendation:* The Audit Office recommends that the Commission take immediate steps to ensure that the Stores Regulations as it relates to the maintenance of inventories is complied with in its entirety and that effort be made to dispose of the remaining unserviceable items on hand. (2015/81)

210. On 30 April 2007, a stock of two hundred and sixty-eight cartons of Polaroid film with an estimated market value of \$30.485M were due to expire. The Commission entered into an agreement, whereby a local firm would utilise and replace the stock at a later date. On 13 September 2007, ninety-four cartons with an estimated value of \$10.693M were declared spoilt by the other party to the agreement and were returned to the Commission, while the difference of one hundred and seventy-four cartons valued at \$19.792M were still outstanding. On 6 March 2010, the Commission received goods to the value of \$4.924M leaving a balance of \$14.868M outstanding. This matter was referred to legal personnel who advised that “GECOM may not therefore be statute barred from pursuing any action against the supplier to recover monies owed since the time for bringing a cause of action has lapsed, and no acknowledgement of the debt, nor was any subsequent payment made to GECOM by the supplier”.

*Commission's Response:* The Commission has written the Finance Secretary on 1 September 2016 for advice on bringing this matter to closure.

*Recommendation:* The Audit Office again recommends that the Commission follow-up with the Finance Secretary with a view of bringing this matter to closure. (2015/82)

211. At the time of reporting in September 2016, three advances totalling \$520,000 remained outstanding. The Commission had explained that:

- a. one officer with an advance outstanding in the sum of \$313,495 was now deceased. Thus, the Commission had written to the Ministry of Finance in November 2011 requesting the debt to be written off. However, the Head of Budget Agency explained that no approval to write off the debt has been granted to date; and
- b. two persons who were no longer employed by GECOM had submitted vouchers to clear advances totalling \$206,978. Vouchers in one submission were insufficient to clear the sum advanced, whilst the CEO who was in the Commission's employ had custody of the other voucher.

*Commission's Response:* The Commission has written the Finance Secretary to have the sum written off.

*Recommendation:* The Audit Office again recommends that the Commission follow-up with the Finance Secretary with a view of bringing this matter to closure. (2015/83)

212. A physical verification of different toners and cartridges in July 2015 had revealed shortages in the sum of \$827,295 and \$1.497M respectively. In September of 2016, a physical verification of thirty- nine different types of toners and twenty-three different types of ink cartridges was carried out at the Coldingen and Kingston Stores. It was observed that, in respect of the toners, the aggregate balance on the Bin Cards was two hundred and seven, while, the physical balance was one hundred and seventy-two, resulting in a shortage of thirty-five toners with a value of \$951,281. Similarly, in respect of the ink cartridges, the aggregate balance on the Bin Cards was one thousand, six hundred and twenty-seven, while, the physical balance was one thousand, three hundred and forty-eight, resulting in a shortage of two hundred and seventy-nine ink cartridges with a value of \$1.747M.



*Commission's Response:* The Commission's preparation for the 2015 General and Regional Elections resulted in significant resources being diverted from maintaining and updating records to prepare for the Elections. The Commission has commenced the process of updating the records, investigating and reconciling the differences observed during the audit process and this exercise is expected to be completed shortly.

*Recommendation:* The Audit Office again recommends that the Commission ensure that stores records are updated in a timely manner and that the Commission also submit the results of the reconciliation for audit. (2015/84)

### Capital Expenditure

213. Eleven digital cameras were reported stolen from the Elections Commission Stores in 2005. The matter was handed over to the Commissioner of Police for investigation. However, to date it has not been finalised.

*Commission's Response:* The Commission has continued with its follow up actions by writing to the Commissioner of Police on 27 August 2016, but to date no final report has been received from the Guyana Police Force.

*Recommendation:* The Audit Office recommends that the Commission follow-up with the Police so that closure could be brought to this matter. (2015/85)

214. The contract for the construction of fence at the Guyana Elections Commission office, Charity Essequibo Coast was awarded to the lowest of three bidders in the sum of \$3.209M and the full amount was paid. Our calculations, based on the physical re-measurements taken on site, revealed that there was an overpayment to the contractor in the sum of \$231,492. This overpayment resulted from the fact that the contractor was paid for the full length of fence contracted to be built, that is, 494 feet. However, only 456 feet was actually constructed, a difference of 38 feet. The cost of the fence as contracted, excluding the gates, was \$6,091.90 per foot. A letter dated 15 July 2015 was seen whereby the Chief Elections Officer wrote the contractor seeking a refund for the overpaid amount of \$231,492.

*Commission's Response:* The Commission continues to pursue the overpayment from the contractor by again writing him on 23 August 2016, but to date the contractor has not been responsive to the request. In addition, a decision was taken to bar the contractor from executing any project from the Agency until he has cleared his liability to the Commission. The Commission has sent the file to the legal officer for review and to take necessary action to recover the amount.

*Recommendation:* The Audit Office recommends that the Commission take necessary action to recover the overpayment and put systems in place to avoid a recurrence. (2015/86)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

215. Amounts totalling \$5.655 billion were approved by the National Assembly for Current and Statutory expenditures for the period under review. However, according to the Appropriation Account, only \$3.584 billion was expended, resulting in shortfall of \$2.071 billion as shown below:

Period	Amount Approved			Amount Expended			Shortfall \$'M
	Prog. 111 \$'M	Prog. 112 \$'M	Total \$'M	Prog. 111 \$'M	Prog. 112 \$'M	Total \$'M	
January - August, 2015	1,050	2,347	3,397	827	2,103	2,930	466
September – December, 2015	2,258	0	2,258	653	0	653	1,605
Total	3,308	2,347	5,655	1,480	2,103	3,583	2,071

Field Materials and Supplies

216. An amount of \$103.974M was allotted for Field Materials and Supplies for the period under review. Amounts totalling \$68.201M were expended as at 31 December 2015. Included in the sum expended were amounts totalling \$14.868M, which represented full payment on a contract for the supply of narrow head diagonal pliers.

217. An examination of the related records revealed that “Request for Quotations” were sent to four suppliers for high leverage diagonal cutting pliers 8 inches and narrow head diagonal pliers 6 ¼ inches. Quotations were seen from the four suppliers for 6 5/16 inches narrow head diagonal pliers and the lowest bidder was awarded the contract by NPTAB on 24 April 2015. The items were verified as having been received and brought to account in the Commission’s Stores records. At the time of reporting in September 2016, the Audit Office was conducting further investigations into this matter.

Office Materials and Supplies

218. The sum of \$197.899M was expended for Office Materials and Supplies for the period under review. Included in this sum were amounts totalling \$82.169M, which represented full payments on nine contracts awarded by the NPTAB to the same supplier for the purchase of toners and cartridges. According to Section 54 of the Procurement Act 2003 Cabinet shall have the right to review all procurements the value of which exceeds \$15M. Further, according to Section 14 of the said Act, a procuring entity shall not split or cause to split contracts or divide or cause to divide its procurement into separate contracts where the sole purpose for doing so is to avoid the application of any provision of this Act or any regulations made there-under. As can be seen in the table below, the contract awards appeared to be sub-divided, which breached the Procurement Act regarding splitting of contracts and review by Cabinet. At the time of reporting in September 2016 the Audit Office was conducting further investigations into this matter.

Date of Award	Description	Amount \$'000
5 February 2015	Purchase of toner cartridges	8,775
3 February 2015	Purchase of toner cartridges	2,494
3 February 2015	Purchase of toner cartridges	14,850
3 February 2015	Purchase of toner cartridges	12,344
Total		38,463
6 May 2015	Purchase of stationery & ink	10,669
6 May 2015	Purchase of toner cartridges	7,439
Total		18,108
21 May 2015	Purchase of stationery Xerox cartridges	13,847
21 May 2015	Purchase of toner cartridge	9,752
21 May 2015	Purchase of toner cartridge	1,999
Total		25,598
Grand Total		82,169

### Stores and Other Public Property

219. Examination of the records kept at the Stores revealed that the Commission was in breach of several sections of the Stores Regulations 1993. A physical verification carried out in June 2016 on a sample of fifty-nine items of stock, including cell phones, laptops, cartridges, printing paper and other items revealed shortages of thirty-three items of stock totalling \$69.381M. In addition, at the time of the physical verification, Stock Ledger and Bin Cards were updated only up to 31 December 2015.

*Commission's Response:* The Commission is currently going through a reconciliation process since a number of factors have contributed to the differences between bin cards and physical stock, several storage locations being one, and disposal of obsolete items not yet fully recorded on the bin cards, since staffs was involved in the 2016 Local Government Elections. These records are being updated and have been presented for audit scrutiny where differences totalling \$58.151M have been cleared leaving \$11.230M still to be cleared. The Commission maintains a bin card for each item of stock, storage space remains a challenge for the Commission, thus efforts are currently being made to revamp the Stores and its system to accommodate for the orderly presentation of records and stocks and easy access.

*Recommendation:* The Audit Office recommends that the Commission ensures that stores records are maintained and updated in keeping with the requirements of the Stores Regulations at all times. (2015/87)

### Other Matters

220. At the time of reporting in September 2016, one cheque valued at \$581,400 in respect of outstanding payment to the Guyana Police Force for the year under review was still on hand at the Commission's Office. It should be noted that failure to refund the cheque was in breach of Section 43 of the Fiscal Management and Accountability (FMA) Act. This also resulted in an overstatement of the Appropriation Account by the said amount. It must be noted also, that this cheque has since become stale dated.

*Commission's Response:* The Commission has indicated that this cheque was updated on 17 March 2016 and is to be paid to the supplier.

*Recommendation:* The Audit Office recommends that the Commission ensures that payments are made promptly for services rendered. (2015/88)

221. The Commission had not taken steps to account for its expenditure in that a total of eleven expense vouchers totalling \$26.399M were not presented for audit examination and two vouchers totalling \$80,000 lacked supporting documentation. As a result, the propriety of the payments made and whether value was received for all sums expended could not be determined.

*Commission's Response:* The Commission is currently checking its records for the eleven outstanding vouchers totalling \$26.399M.

*Recommendation:* The Audit Office recommends that the Commission locate these vouchers and supporting documents and have them submitted for audit and institute measures to have all expense vouchers properly secured and presented, when requested. (2015/89)

#### *Imprest – Advances*

222. An examination of one hundred and thirty-six Requisitions for Advance forms during the period under review, revealed thirty-two instances where advances were cleared on an average of forty-six days after their due dates.

*Commission's Response:* The advances issued to Officers during the General and Regional Elections of 2015 were held beyond the stipulated time, this occurrence is not the usual practice by the Commission, however, many of these Officers had to address the pressing issue of bringing complete closure to Post elections activities which resulted in advances being cleared beyond the date stated, on the advance forms. The reason for this occurrence can be attributed to suppliers and temporary staff, in some cases, living in inaccessible areas and therefore clearing monies advanced and submitting bills took a longer time. In essence, the Officers stated that clearing time for advances did not consider all the post elections activities. In addition, the Commission has indicated that it will review its clearing systems during elections.

*Recommendation:* The Audit Office recommends that the Commission puts system in place to ensure that all advances issued are cleared within the time stated. (2015/90)

### Capital Expenditure

223. The sum of \$235.809M was allocated under the capital programme for the period under review. As at 31 August 2015, the full amount allocated was expended under Programme 111 – Elections Commission; although, the amounts were allocated under Program 111- Elections Commission and Program 112 – Elections Administration, as shown below:

Programme	Amount Budgeted \$'000	Amount Approved (Appropriation Act) \$'000	Amount Expended \$'000
111 Elections Commission	80,830	14,938	235,809
112 Elections Administration	297,079	220,871	0
Total	377,909	235,809	235,809

*Commission's Response:* The Commission received an unconfirmed Cabinet Decision dated 19 January 2015 during the prorogation of Parliament to acquire items needed for the Elections under Program 111, and releases were given by the Ministry of Finance under Program 111 even though the Commission had informed the Officers that we were executing Program 112 – Elections Administration.

*Recommendation:* The Audit Office recommends that the Commission ensures that all monies expended are met from the appropriate Programs as approved by the Appropriation Act. (2015/91)

### Furniture & Equipment

224. Amounts totalling \$179.759M were expended on chairs, desks, cabinets, tables (including two conference tables constructed for GECOM's Boardroom), backup systems, scanners and copiers, High Frequency (HF) radios, water pumps & equipment, air conditioning unit and office equipment.

225. In relation to the High Frequency radios, a contract was signed on 4 May 2015 based on approval via Cabinet Decision dated 28 April 2015 in the sum of \$99.560M for the purchase of fifty HF radios and related accessories. An examination of the procurement and payment documents and records revealed that the Commission used the 'restricted tendering' method of procurement to acquire the High Frequency radios. Further, the "Request for Quotations" sent to the three selected suppliers, sought prices for fifty Barrett HF radios. However, only one supplier quoted the price for the fifty Barrett HF radios. The other two quotations were priced for 20 Barrett and 30 ICOM HF radios. The lower of the latter two quotations was selected.

226. According to the contract, forty percent (40%) of the contract amount was to be paid to the supplier on the signing of the contract. An amount of \$39.824M representing forty percent (40%) of the contract amount was paid to the contractor on 28 May 2015 via cheque number 05-619469 dated 7 May 2015. Also, according to the contract, final payment of the remaining sixty percent (60%) of the contract sum shall be made to the vendor after completion of the works. Final payment of \$59.736M representing sixty percent (60%) was paid to the contractor on 23 July 2015 via cheque number 05-643724 dated 5 July 2015.

227. The items were verified as having been received and brought to account in the Commission's Stores records. It should be mentioned that one Barrett HF radio was issued to the CEO on 10 May 2015 and one ICOM HF radio was issued to the Commission's sub-office in Lethem on 16 June 2016. There was no evidence to indicate that the other forty-eight HF radios were used. At the time of reporting in September 2016, the Audit Office was conducting further investigations into this matter.

228. During the period under review, the Commission received a donation from the United Nations Development Programme (UNDP) of twelve satellite phones and five 48 inches flat screen televisions for use during the General Elections. The Commission facilitated the process for the purchase of these items. These items were received by the Stores and entered on 30 April 2015 in the Goods Received Book and Bin Cards and issued to the CEO on 7 May 2015.

*Commission's Response:* The Commission's communication plans to ensure that a communication system existed throughout the entire Guyana was premised on the use of different mediums and assets on the ground such as cell phones, radios, internet access and personal transmission to provide reliable, clear and accurate feedback. However, the Commission was unable to deploy all the radios because these radios were received outside of the operational deployment time to train staff in its use in the remote areas which resulted in a change of plan with the provision of twelve (12) satellite phones by UNDP which provided secure and reliable communication. These radios will replace damaged ones and will be deployed during future exercises.

*Recommendation:* The Audit Office recommends that the radios be properly stored and periodic checks be carried out to ensure that they are in working order and that they put into use as the need arises. (2015/92)

#### Other Matter

229. In respect of Permanent Stores, the Storekeeper shall make appropriate entries in the Permanent Stores Register indicating clearly the location to which Stores were sent and the custodian thereof as outlined in Section 23 of the Stores Regulations 1993. However, this procedure was not adhered to, in that issue of items to Sub-Offices were not documented; hence, it could not be ascertained if items sent to Sub-Offices were actually received.

*Commission's response:* The Commission issue each Registration Office with an Internal Stores Requisition (ISR) Book and will review the transfer of assets to Sub-Offices.

*Recommendation:* The Audit Office recommends that the Commission ensures that all items issued to Sub-Offices are done so by using an Internal Store Requisition approved by the relevant authority. (2015/93)

## AGENCIES

### 16 - MINISTRY OF AMERINDIAN AFFAIRS

### 17 - MINISTRY OF INDIGENOUS PEOPLES' AFFAIRS

230. The Ministry of Amerindian Affairs, Agency 16 was renamed the Ministry of Indigenous Peoples' Affairs with effect from 1 September 2015 and is now operating under Agency 17.

#### Prior year matters, which have not been resolved

#### Current Expenditure

231. One hundred and twenty-one cheque orders valued at \$82.132M were still not cleared as at August 2016 in respect of the years 2011-2012 and 2014. Similarly in 2015, forty-one cheque orders totalling \$18.634M were outstanding at the time of reporting in September 2016.

*Ministry's Response:* The Head of Budget Agency indicated that the Ministry is making every effort to have all cheque orders cleared. Cheque Order payments relating to the various Villages will from time to time elapse after the sixteen days requirement, since it would not be feasible for Toshaos to visit the Ministry on a regular basis to uplift payments.

*Recommendation:* The Audit Office recommends that the Ministry liaise with the Accountant General's Department and take action to have these cheque orders cleared. (2015/94)

232. It is a requirement for the Ministry to maintain a contract register to record the details of all contracts awarded, so that the Ministry can monitor the progress and payments of these contracts. However, it was again observed for 2015 that the contract register was still not properly written up to reflect all contracts awarded by the Ministry and contracts were still given a new contract number every time a progress payment was made. As such, it was difficult to ascertain how many contracts were awarded by the Ministry and to easily determine the status of those contracts where more than one payment was effected.

*Ministry's Response:* The Head of Budget Agency indicated that a contract register was in place, however, it was not properly maintained in 2015. This situation has been corrected in that the Ministry has now put systems in place to have the contract register properly written up.

*Recommendation:* The Audit Office again recommends that the Ministry ensure that the contract register is properly written up and that the systems put in place are functioning properly. (2015/95)

### Capital Expenditure

233. During 2014, the Ministry purchased five tractors, one trailer and implements for various Amerindian Villages. These assets were received and distributed to Itabac, Sand Creek, Rupanau, St.Cuthberts, Massara, Yarong Paru and Kwebanna. However, it was observed that two tractors and the trailer were still not registered with the Guyana Revenue Authority. Further, these assets were also not placed on the inventory of the Ministry in accordance with the requirements of Stores Regulations 1993.

*Ministry's Response:* The Head of Budget Agency explained that the supplier was supposed to provide the registration for the tractors and trailers at the time of delivery; however, three of these registrations are still outstanding.

*Recommendation:* The Audit Office recommends that the Ministry follow up with the supplier for the outstanding registrations or seek assistance from the Guyana Revenue Authority to have these vehicles registered. (2015/96)

### Current year matters, with recommendations for improvement in the existing system

#### Current Expenditure

##### Goods and Services

234. Amounts totalling \$184.037M were expended under this account area. Included in this figure is the sum of \$20.967M, which was expended on the purchase of fuel including cooking gas and lubricants for the year under review. An examination of fuel slips and the fuel register revealed that the fuel slips totalled \$7.619M, while the fuel register reflected a total of \$10.447M, a difference of \$2.828M.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry has a shortage of staff and that reconciliation is now in progress to ascertain the difference.

*Recommendation:* The Audit Office recommends that reconciliation be carried out on a monthly basis, so that differences can be identified and action taken. (2015/97)



### Dietary

235. Included in the sum \$47.058M expended under Dietary are amounts totalling \$6.759M paid to a supplier who supplied fruits, greens and vegetables to the Amerindian Hostel. An examination of the payment vouchers revealed that a payment voucher was prepared on 15 December 2015 for an amount of \$251,200. However, the cheque was processed for \$2.512M on 5 January 2016 for 31 December 2015 and was uplifted by the supplier on 7 January 2016 without anyone detecting the anomaly between the amount on the payment voucher and the cheque. As a result, the supplier was overpaid the amount of \$2.261M. Further, checks revealed that the details for the payment were entered into the IFMAS on 29 December 2015 by a staff of the Ministry of Amerindian Affairs and the amount of \$2.512M was recorded instead of \$251,200. The Accountant General's Department explained that at year end, cheques are prepared for all transactions in the system in order to facilitate the closure of the accounting cycle for that year, hence the variance would not have been detected then. At the time of reporting, a payment arrangement was being worked out with the supplier and the Accountant General's Department to recover the difference of \$2.261M. In addition, the Appropriation Account would have been overstated by the said amount.

*Ministry's Response:* The Head of Budget Agency explained that due to the workload at year end the incorrect amount was inadvertently entered and the cheque was paid out by the Ministry of Finance. The Accountant General has informed the Ministry that the supplier has since repaid the amount of three hundred thousand dollars. The Head of Budget Agency also explained that the Ministry will officially write the supplier to have the balance repaid, failing which legal action would be taken.

*Recommendation:* The Audit Office recommends that the amount overpaid be recovered and that systems be put in place by the Ministry and the Accountant General to avoid a recurrence. (2015/98)

### Safe Contents

236. An inspection of the Ministry's Safe No. JISS 1037 was carried out on 20 September 2016 and it was revealed that a register of safe contents as required by the financial regulations was still not maintained by the Ministry. In addition, a stale-dated cheque in the sum of \$292,500 was seen in the safe, which was in respect of a prior year matter. This amount represented two transactions originally expended from the Amerindian Purpose Fund (APF) in the year 2011 and was to be restored to the Fund. In 2013, a cheque was issued from the Consolidated Fund so that the APF could be restored in the said amount, however, the Ministry failed to deposit the cheque in a timely manner, hence, it became stale-dated. During 2014, the Accountant General updated the cheque and also changed the payee to "Accountant General", which would indicate that the cheque should be refunded to the Consolidated Fund. The Ministry kept the cheque which has once again become stale-dated and was still in the safe at the time of reporting in September 2016.

*Ministry's Response:* The Head of Budget Agency explained that the register of the contents of the safe will be introduced and that the cheque will be updated and refunded to the Consolidated Fund.

*Recommendation:* The Audit Office recommends that the Ministry ensure that the register is maintained and that the cheque is updated and paid over to the Consolidated Fund. (2015/99)

## Capital Expenditure

### Buildings

237. The sum of \$10M was budgeted for the provision of roof, stage and dressing room at the National Exhibition Centre, Sophia. As at 31 December 2015, amounts totalling \$9.999M were expended on the repairs to Indigenous Village and building of benabs at Sophia.

238. Two contracts totalling \$10.279M were awarded to the same contractor for rehabilitation works at the Indigenous Village at Sophia by the National Procurement and Tender Administration Board (NPTAB). As at 31 December 2015, the full amount on both contracts was paid to the contractor, of which \$280,000 was met from current expenditure. An examination of the schedule of works for both contracts revealed that just a brief description of the works to be carried out was recorded and details such as description of work, quantities and unit prices were not stated. An "estimate for repairs" on which payment was effected was attached to the payment voucher for one of the contracts which was awarded in the sum of \$8.192M and signed by the contractor and approved by the Deputy Permanent Secretary. This estimate also did not have sufficient details for a proper examination and verification of the contracts. In view of the foregoing, physical verification of the works could not have been undertaken. The details of the "estimate for repairs" works are shown below:

Description	Price \$'000
Leaves	2,500
Contractual fee	1,910
Labour	1,575
Transportation of materials and workers	680
Repairs to buildings, Warrau and Wapichan	587
Miscellaneous	400
Rafters, wattles and ridging	180
Nails, bolts and varnish	130
Repairs -Bridges	80
Rental of compressor	130
<b>Total</b>	<b>8,192</b>

*Ministry's Response:* The Ministry explained that an Engineer is now employed with effect from the 1 August 2016, and all shortcomings with contracts will be addressed.

*Recommendation:* The Audit Office recommends that contract documents be properly prepared with detailed bills of quantities to facilitate examination and physical verification of works. (2015/100)

*Amerindian Development Fund*

239. The sum of \$287.400M was budgeted for Amerindian Development and includes (a) construction of village offices and woodworking centres, (b) subvention to Bena Hill institute, (c) purchase of sports gear, musical instruments, cassava mills, fogging machines, tractors and implements, and (d) support to other projects and programmes including eco-tourism and language revival. As at 31 December 2015, amounts totalling \$270.818M were expended. Payment vouchers totalling \$204.244M were presented, leaving expenditure totalling \$66.574M still to be verified. The details of the payment vouchers presented are shown below:

Description	Amount \$'000
Purchase of 6 tractors & trailers	52,080
Construction of projects in Amerindian Villages	39,129
Governance training	35,219
Bina Hill	27,059
Language revival and history of villages	18,116
Purchase of musical instruments	10,821
Miscellaneous	10,040
Hinterland Employment Youth Service	3,957
Purchase of sports gear	3,324
Purchase of cassava mill, construction of facilities for cassava processing	4,499
Total	204,244

240. The Ministry obtained approval from the National Procurement and Tender Administration Board and procured six John Deere tractors and trailers along with six disc ploughs and harrows valued at \$52.080M. The assets were received, registered and brought to account in the records of the Ministry. Three were distributed to Santa Arataka Mission, Region No.3, Wikki/Calcuni, Region No. 10 and Kwaimatta, Region No.9. The remaining tractors and trailers, ploughs and harrows were identified for the Villages of Yarakita, Sebai and Karrau.

241. In relation to the construction of projects in Amerindian Villages, amounts totalling \$39.129M were issued to twenty Village Councils for various developmental projects such as construction of village office, meat bird rearing facility, woodworking centre, sewing and catering projects and construction of a duck pen. However, audit checks revealed that all of the amounts were paid out in 2015 and 2016. Up to the time of reporting in September 2016, the Ministry did not provide evidence that these projects were completed.

242. With regards to the amount of \$10.821M expended for musical instruments, audit checks revealed that the sum of \$4.822M were expended by the Ministry to procure keyboards, drums, guitars and flutes. The difference of \$6M was paid over to six Village Councils to purchase musical instruments identified by the Villages. These amounts were collected by the Villages between January and March 2016 and up to the time of reporting in September 2016, no evidence was seen that the amounts disbursed were fully expended for the purposes intended.

243. Amounts totalling \$4.499M were disbursed to three Amerindian Villages to purchase cassava mills and construct facilities for cassava processing. However, up to the time of reporting, reports were not received by the Ministry to verify that the cassava mills were procured and the facilities constructed.

*Ministry's Response:* The Head of Budget Agency explained corrective action, with a major focus on monitoring, will be carried out by the Ministry Community Development Officers (CDO's) based in Regions No. 1-10. Also, the Ministry is now in the process of employing an additional ten CDO's to aid in the Ministry's work.

In addition, Village Councils were notified of this situation at the National Toshios Conference held in August 2016 and were requested to submit acknowledgements of assets and all projects financed by the Ministry.

*Recommendation:* The Audit Office recommends that the Ministry engage the Finance Secretary, the Director, Office of the Budget and the Accountant General on the challenges the Ministry is encountering in the implementation and completion of projects in the Villages. (2015/101)

#### Water Transport

244. The sum of \$3.500M was allocated under this account area for the purchase of boats and engines. As at 31 December 2015, amounts totalling \$3.288M were expended on the construction of three boats and the purchase of two outboard engines.

245. Three payments of \$600,000 each were made to three Amerindian Villages, Sandhills, Orealla and Hobodeia, to construct boats to serve the communities. However, no documentation was provided to verify that these boats were completed and in use by the Villages. In relation to the outboard engines, two Yamaha 40 HP outboard engines were procured for Kartabo and Kokerite Villages and were received and brought to account in the records of the Ministry. However, up to the time of reporting in September 2016, the engines were still in the Ministry's Stores.

*Ministry's Response:* The Head of Budget Agency explained that due to the location of Amerindian Villages and cost associated with travelling, it was difficult for the Ministry to visit and monitor the projects undertaken by the Villages.

*Recommendation:* The Audit Office recommends that the Ministry put measures in place to have these projects monitored on a regular basis. (2015/102)

### Land Transport

246. The sum of \$10M was allocated for the purchase of All Terrain Vehicles (ATV). Approval was seen for an inclusion in the Programme to accommodate the purchase of one motor car. As at 31 December 2015, amounts totalling \$9.990M were expended on the purchase of the ATVs and motor car.

247. The four ATVs and the motor car were received, registered and brought to account in the Ministry's records. In relation to the ATVs these were procured for Malali, Orealla, Tasserene and Cashew Island. However, up to the time of reporting in September 2016, only the ATV for Malali was handed over.

*Ministry's Response:* The Head of Budget Agency explained that the other ATV will be distributed shortly to the Village.

*Recommendation:* The Audit Office recommends that the Ministry ensure that the remaining ATVs are handed over to the Village so that they can be put to use. (2015/103)

### Other Matters

248. Two ATV's which were acquired prior to 2012 and issued to Region No. 9 remained unregistered by the Ministry up to the time of reporting in September 2016.

*Ministry's Response:* The Head of Budget Agency explained that one of the ATVs was checked and certified by GRA's Officer in Region No. 9 and the information sent to Georgetown to have the process completed, however the registration is still to be completed by GRA. The other ATV is now stationed in Region No. 8, but it is not in a working condition, hence it cannot be driven to Region No.9 to have the process completed. Notwithstanding, alternative measures will be put in place to transport the ATV.

*Recommendation:* The Audit Office recommends that the Ministry follow up with GRA to resolve this matter. (2015/104)

249. The Stores Regulations clearly stipulates the responsibilities of the Accounting Officer, duties of the Store Keeper, and the manner in which the stores should be maintained including having an adequate system of internal controls and the necessary records to be maintained. However, audits checks revealed that despite repeated comments in my previous reports, the Ministry continues to breach the requirements of the Stores Regulations as follows:

- Bin Cards were still not kept;
- Goods Received Book was not kept;
- Stock Ledgers were not maintained by the Central Accounting Unit as a measure of control and to provide a basis for reconciliation;

- the Stores were still not kept in a manner to permit easy access to the various items held in stock; and
- the Stores had quantities of unserviceable and expired items that were to be assessed and valued before disposal.

*Ministry's Response:* The Head of Budget Agency explained that Bin Cards are now being used; industrial shelves are installed for easy access and other measures to improve the Stores operation are now in place from 2016. The Ministry is in the process of establishing a Board of Survey to look into unserviceable and expired items to be disposed of.

*Recommendation:* The Audit Office recommends that the Ministry comply with requirements of the Stores Regulations. (2015/105)

250. The Stores Regulations require that log books and historical records be kept for each vehicle owned and/or operated by the Ministry to record the cost of maintenance and other pertinent information. For the year 2015, out of the seventeen serviceable vehicles owned and controlled by the Ministry, log books were only presented for three.

*Ministry's Response:* The Head of Budget Agency explained that efforts are being made to locate the log books and have same presented audit scrutiny.

*Recommendation:* The Audit Office recommends that the Ministry ensure that logs books are secured and have them presented for audit examination, when requested. (2015/106)

#### Amerindian Purposes Fund (APF)

251. The Amerindian Purposes Fund (APF), was established in the year 2000 in keeping with a proviso in Section 28 of the Amerindian Act Chapter 29:01. This Act was later repealed by Section 84 of the Amerindian Act (2006), which had not in itself provided for the operation of the Fund. Nonetheless, the original Act, at Section 29, required the preparation of financial statements and an audit by the Auditor General. This, even though not captured in the current Act, are best practice requirements of any accounting process, but were never satisfied since the establishment of the Fund.

252. Over the years, observations were made in relation to the significant sums of moneys which were received and expended from the APF and the Ministry's continued poor financial management of the Fund. While the current Act has no provision for the operation of the APF, the Ministry failed to put measures in place for the proper use, record keeping and management of the Fund.

*Ministry's Response:* The Head of Budget Agency explained that Ministry had and is currently having a staff shortage within the Accounts Department. With the Implementation of Youth Employment in Agriculture Programme (YEAP) in 2013 - 2015 and Hinterland Employment and Youth Service (HEYS) programmes in 2016, the workload has increased tremendously. The Ministry is now seeking permission to employ two additional clerks. The Ministry will make all effort to rectify this situation with the availability of the new staff who will be assigned specifically for this purpose. The revision to the Amerindian Act was also discussed.

*Recommendation:* The Audit Office recommends that the Ministry put systems in place to ensure that there is proper record keeping and management of the Fund. (2015/107)

*Status of the Amerindian Purpose Fund for 2015*

253. According to the bank statements for the year 2015, the APF had a balance of \$838.679M as at 1 January 2015. During the year, the receipts totalled \$194M while expenditure was \$1.012 billion. The closing balance as at 31 December 2015, was \$20.360M as shown below:

Description	Amount \$'000
Opening Balance -1 January 2015	838,679
Receipts	193,997
Expenditure	(1,012,315)
Closing Balance -31 December 2015	20,360

*Opening Balance*

254. Included in the opening balance of \$838.679M, were amounts totalling \$575.420M, as shown in the table below, representing unspent balances of previous years and which were mentioned in my previous reports. It was recommended that these balances be refunded to the Consolidated Fund in accordance with Section 43 of the FMA Act. Except for an amount of \$92.717M from the Information and Communication Technology (ICT) hubs which were refunded to the Consolidated Fund on 1 December 2015, no other amounts were refunded.

Paragraph reference in 2014 Audit Report	Description	Unspent balances at 1 January 2015 \$'000
228	Balance from IDWs received for construction of ICT hubs in 2013 from Office of the President	144,283
231	Funds from supplementary provision for Amerindian development projects and programmes in 2013	244,519
245	Balance from school uniform under the Poverty Programme	10,278
261	Funds transferred from Capital expenditure in 2014 for Presidential Grant for 202 Amerindian villages and other projects for 6 Amerindian Villages	176,340
Total		575,420

*Ministry's Response:* The Head of Budget Agency has indicated that the amounts were not refunded since the projects were not completed.

*Recommendation:* The Audit Office recommends that the Ministry comply with Section 43 of the FMA Act. (2015/108)

#### Expenditure

255. The Ministry presented four hundred and twenty-eight payment vouchers totalling \$742.402M for audit examination. However, since the cash book was only written up to May 2015, it was not possible to determine how many payment vouchers were prepared for 2015.

256. Nonetheless, the following is a breakdown of the expenditure for the APF based on the four hundred and twenty eight payment vouchers totalling \$742.402M which were presented for audit for the year 2015:



Expenditure	Amount \$'000
Installation of 6000 Solar Home systems	166,500
Advances issued to staff	132,602
Refund of balance on ICT hubs	92,717
Presidential Grants - Goods and Services	86,178
Presidential Grants – Projects	85,911
CSO's Stipends	161,150
Other	17,344
<b>Total</b>	<b>742,402</b>

*Ministry's Response:* The Head of Budget Agency explained that efforts are being made to locate the payment vouchers and have same presented for audit examination and to have the cash book updated.

*Recommendation:* The Audit Office recommends that the Ministry ensure that the cash book is updated at all times and to have the unrepresented payment vouchers submitted for audit examination. (2015/109)

#### Advances

257. Advances totalling \$132.602M were issued for travelling and salaries advances for staff for the year under review. Included in the figure of \$132.602M were amounts totalling \$128.341M representing two hundred and fourteen advances, which were expended for travelling and subsistence by officers to the various Regions and which should have been met from voted provisions. As at 31 December 2015, seventy-four advances valued at \$39.652M were still outstanding.

*Ministry's Response:* The Head of the Budget Agency indicated that it is very costly to travel in the interior and since the Ministry's Imprest allocation was only \$2M and the voted provision being insufficient the Ministry had to resort to use funds from the Amerindian Purpose Fund.

*Recommendation:* The Audit Office recommends that the Ministry engage the Ministry of Finance with the view of increasing the allocation for the relevant line item and the Imprest allocation. (2015/110)

### Presidential Grants-Projects

258. Included in the amount of \$85.911M expended for projects under the presidential grants, were sixty payments totalling \$81.711M, which were made to a similar number of Villages to construct community centre, roads, bridges, boats, catwalk, and stelling. However, progress reports were not submitted to verify that these projects were completed and that the amounts were spent for the intended purposes.

*Ministry's Response:* The Head of Budget Agency has explained that the Ministry will take corrective action, with a major focus on monitoring by the Ministry's Community Development Officers based in Regions No. 1-10. In addition, Village Councils were notified of this situation at the National Tshaos Conference held in August 2016 and were requested to submit all acknowledgements of all assets given by the Ministry and to provide status of all projects financed by the Ministry.

*Recommendation:* The Audit Office recommends that the Ministry engage the Finance Secretary, the Director, Office of the Budget and the Accountant General on the challenges the Ministry is encountering in the implementation and completion of projects in the Villages. (2015/111)

### Community Support Officers (CSOs) Stipend

259. In relation to the amount of \$161.150M expended for CSOs stipend, it was observed that five payments totalling \$27.470M did not have any supporting documentation attached to verify that the amounts were fully accounted for. Also, payments relating to the sum of \$17.344M were made without any supporting documents attached to the payment vouchers.

*Ministry's Response:* The Head of the Budget Agency has indicated that efforts are being made to locate the supporting documents and have same presented for audit examination.

*Recommendation:* The Audit Office recommends that the Ministry ensures that supporting documents are attached to all payments made. (2015/112)

### Examination of Returned Cheques

260. Since a significant number of payment vouchers were not submitted for audit, an examination of returned cheques was carried out. Included in those cheques were the following substantial amounts for which no payment vouchers were submitted to verify the completeness, accuracy and validity of the transactions:

Date	Cheque No.	Amount \$'000	Payee
31/03/2015	06-038394	80,000	PS Ministry of Amerindian Affairs
15/09/2015	06-053868	18,492	PS Ministry of Amerindian Affairs
30/01/2015	04-922865	3,730	PS Ministry of Amerindian Affairs
03/09/2015	06-053842	2,500	PS Ministry of Amerindian Affairs
30/09/2015	06-053905	2,137	PS Ministry of Amerindian Affairs
17/11/2015	08-001305	980	PS Ministry of Amerindian Affairs

*Ministry's Response:* The Head of Budget Agency has indicated that efforts are being made to locate the payment vouchers and have same presented for audit examination.

*Recommendation:* The Audit Office recommends that the Ministry ensure that the outstanding payment vouchers be produced for audit examination. (2015/113)

261. A contract for the excavation, land filling, construction of drains and concrete works at student dorms, Liliendaal was awarded in 2013 in the sum of \$14M and the full contract sum was paid to the contractor. Based on physical verification on site in April 2013, it was reported that the sum of \$7.869M was overpaid to the contractor. The competent officer for the project requested re-measurement of the works since the contractor disputed the amount stated as overpaid. A revisit and leveling exercise was conducted in April 2014 and physical measurements taken revealed that the sum overpaid has increased to \$8.597M. No recoveries were made by the Ministry.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry wrote to the National Tender and Procurement Board to inform them that the contractor is indebted to the Ministry. The Ministry in its efforts will be sending a reminder to the contractor. Please note the Ministry wrote the contractor informing him about the over payment but he never responded.

*Recommendation:* The Audit Office recommends that the Ministry follow-up this matter. (2015/114)

*Supply and Installation of Solar Photovoltaic System*

262. The sum of \$65.811M was paid to a commercial bank, in relation a contract that was signed on 18 September 2014 between Office of the President and a supplier from Italy in the sum of \$65.004M for the purchase of 25 x 3,000 Watts Peake stand alone Solar Photovoltaic Systems. However, the delivery date of the Solar Photovoltaic Systems could not be determined since the information was not stated in the contract document. At the time of reporting in September 2016, neither the Ministry of Amerindian Affairs nor Office of the President could provide any explanation or documentation to verify the status of the contract.

*Ministry's Response:* The Head of the Budget Agency had written to the Permanent Secretary of the Office of the President for an update on this issue.

### Bank Reconciliation

263. As mentioned in my previous report, the bank account for the APF was last reconciled in November 2009.

*Ministry's Response:* The Head of Budget Agency explained that Ministry has a staff shortage within the Accounts Department. With the Implementation of YEAP and HEYS programmes, and other programmes over the years the workload has increased tremendously. The Ministry is now seeking permission to employ two additional clerks. The Ministry will make all effort to rectify this situation with the availability of the new staff who will be assigned specifically for this purpose.

*Recommendation:* The Audit Office recommends that the Ministry review the operations of the various departments taking into consideration the staff structure and put measures in place for the functioning of the Ministry in an efficient and effective manner. (2015/115)

## AGENCY 21

### MINISTRY OF AGRICULTURE

#### Prior year matters, which have not been resolved

#### Current Expenditure

264. The Ministry was still to recover gross salaries overpaid to three officers totalling \$458,237 in respect of the year 2009. Amounts totalling \$319,622 were in respect of net salaries while amounts totalling \$138,615 were in respect of related deductions paid over to various agencies.

*Ministry's Response:* The Head of Budget Agency explained that this outstanding amount shows that the Ministry has been consistently making efforts to recover same.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency continue to take stringent follow-up actions to recover the remaining amounts overpaid and continue to ensure that an efficient and effective system is functioning to ensure the timely communication of pay change directives to the Accounting Unit. (2015/116)

#### Capital Expenditure

#### Foreign Funded Project – East Demerara Water Conservancy

265. The project for the completion of an alternative outlet at Hope for the regulation of the East Demerara Water Conservancy had comprised of twenty-eight components. At the time of reporting in September 2016, twenty-one of the twenty-eight components were practically completed, whilst five were substantially completed. As at September 2016, amounts totalling \$3.525 billion were expended as shown below:

Summarised Project Components	Project Cost \$'000	Amount Expended as at September 2016	Balances \$'000
Civil works	1,834,058	1,748,206	85,852
Supply of materials and equipment	1,131,206	1,125,197	6,009
Fuel and lubricants	237,419	224,251	13,168
Engineering design & supervision	242,617	316,837	25,780
Other associated cost	110,369	110,369	0
<b>Total</b>	<b>3,655,669</b>	<b>3,524,860</b>	<b>130,809</b>

*Ministry's Response:* The Head of Budget Agency explained that this activity was further extended from 15 December 2014 to 30 May 2016. This project is completed as of date. The four components are substantially completed except for those listed at number two and four below, which are approximately 50% completed. These activities are awaiting the completion of the Construction of GH Revetment at the Head Regulator before works could be recommenced.

1. Supply of 825 tons of gabion stones
2. Supply of gabion mattress
3. Transportation of gabion stones to Flagstaff
4. Construction of scour protection.

*Recommendation:* The Audit Office recommends that the Ministry continue to monitor the outstanding works, with a view of having same completed within the contractual obligations. (2015/117)

266. Included in the civil works components was a contract for the operation, servicing and monitoring of National Drainage and Irrigation Authority's (NDIA) Hydraulic Excavators, Bulldozers and Draglines. The contract was signed on 10 November 2010, and the duration for the services was two (2) years, with a completion date of 13 September 2012. The Contractor was to be paid twenty-four thousand and seven hundred dollars per day, per excavator/bulldozer/dragline (\$24,700). It was noted that while the contract period expired on 13 September 2012, payments were still made to the Contractor in the amounts of \$129.107M, \$106.085M and \$40.831M for the years 2013, 2014 and 2015 respectively, even though no extension of time was seen. The total payments made to the Contractor up to the time of reporting in September 2016 were \$384.683M.

267. Also included in the civil works components was a contract for the construction of the Public Road Bridge at Hope/Dochfour, which was signed on May 17 2011 for a sum of \$349.654M. At the time of reporting, the works were completed and the defects liability period expired in December 2015. A physical verification of the completed bridge on September 14 2016 revealed that the reinforced concrete bridge approach slabs were apparently settling beneath the carriageway at one end, resulting in the uplifting of the other end of the slab at the interface of the reinforced concrete bridge deck and abutment.

268. It was noted that a new contract for remedial works to the bridge approaches to remedy the situation was being considered; however, the issue with the approaches would have become evident during the defects liability period and should have been addressed during this period. As a result, the Ministry will now have to incur a new cost to remedy the recently completed bridge approaches.

269. On 26 July 2010, the Government of Guyana and the Export-Import Bank of India signed a credit agreement in the sum of US\$4M for the purpose of acquiring, installing, and commissioning of six mobile and eight fixed pumps and other related costs. The contract was awarded by National Procurement and Tender Administration Board in the sum of US\$4M to the more responsive of two bidders. At the time of reporting in September 2015, amounts totalling US\$2.991M were paid to the contractor, as shown below. The contract was subsequently terminated in October 2014. It should be mentioned that all of the fixed and mobile pumps were received and installed at fourteen locations.

Description	Contract Amount US\$	Amount Paid as at 31.12.2013 US\$	Amount Paid in 2014 US\$	Total Payment US\$	Balance on Contract US\$
Supply of eight fixed pumps	2,124,000	424,800	749,347	1,174,147	949,853
Supply of six mobile pumps	1,566,000	1,566,000	0	1,566,000	0
Pump spares & design & engineering cost	180,000	36,000	126,000	162,000	18,000
Technical support	67,000	33,500	0	33,500	33,500
Freight and insurance	63,000	31,500	24,000	55,500	7,500
<b>Total</b>	<b>4,000,000</b>	<b>2,091,800</b>	<b>899,347</b>	<b>2,991,147</b>	<b>1,008,853</b>

270. Included in the sum of US\$162,000 which represented pump spares and design and engineering cost is an amount of US\$126,000, which was paid to the contractor for spares. However, these were not supplied up to the time of reporting in September 2016.

*Ministry's Response:* The Head of Budget Agency explained that the sum of US\$126,000 for spares was approved by the Finance Secretary on recommendation from NDIA on Invoice SECL/893/2012-2013 dated 20 December 2012 and supporting documents. However, no spares were received as of date. It should be noted that the contractor Surendra Engineering Corporation Limited is claiming that all the spares were sent to NDIA.

- the percentage and value of the contract completed is 80% and US\$3,215,875 respectively. The remaining percentage was completed with funding from the Government of Guyana to the value of US\$589,400 following the termination of the contracts;
- the percentage and value of the contract paid is 74.8% and US\$2,991,147 respectively;
- request by the contractor for payment of US\$368,728 for the last shipment and receipt of fix pump and parts has not been paid. The sum, excluding the US\$144,000 paid for spares and 100% advance payment on spares, represents US\$224,728 owing to the contractor; and
- the spares represent 4.5% of the contract sum.

The contract was terminated effective on 2014/10/8 for the contractor's failure to

- i. request and obtained approval for extension of time for completion of contract, since the contract period ended 30 April 2013;
- ii. extend advance payment guarantee and performance security; and
- iii. supply spares for which payment was recommended and subsequently disbursed.

*Recommendation:* The Audit Office recommends that the Ministry take necessary action to bring closure to this matter. (2015/118)

#### Current year matters, with recommendations for improvements in the existing system

##### Current Expenditure

##### Subsidies and Contributions to Local Organisations

271. The sum of \$15.311 billion was released to nine statutory entities that are under the control of the Ministry of Agriculture. The entities are subject to separate financial reporting and audit. The table below summarises the status of related audit reporting, including details on the progress of outstanding audits. As can be noted, some of these entities were still to have their reports laid in the National Assembly.

No	Entity	Amount \$'000	Last Audit Report	Last Report Laid in National Assembly	Remarks
1	Guyana Livestock Development Authority	398,511	2011	-	2012 - To be finalised. 2013 and 2014 Financial Statements returned for corrections.
2	Guyana Marketing Corporation	124,714	2013	-	2014 - Awaiting signed Financial Statements to issue opinion.
3	Guyana School of Agriculture	179,257	2008	-	Financial Statements not submitted for the years 2009 to 2015.
4	Hope Coconut Estate	3,000	-	-	Financial Statements for the years 2008 to 2010 were returned to entity for corrections. Financial Statements not submitted for the years 2011 to 2015.
5	Mahaica Mahaicony Abary Agricultural Development Authority	134,614	2007	-	Audits for 2008 and 2009 to be finalised shortly. Financial Statements not submitted for the years 2010 to 2015.
6	National Agricultural Research & Extension Institute	756,002	2013	2009	2014 – Audit is being finalised.
7	Pesticide & Toxic Chemicals Control Board	14,376	2014	-	2015 – Audit is being finalised.
8	Guyana Sugar Corporation	12,000,000	2015	2009	
9	National Drainage and Irrigation Authority	1,699,780	New entity with effect 1 November 2013	-	1 November 2013 to 31 December 2014 - Awaiting response to management letter for 2013 & 2014 audit. Financial Statements are being redone.

*Ministry's Response:* The Head of Budget Agency explained that as soon as the audit reports are received they will be laid in the National Assembly.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency make a special effort to have the outstanding reports laid before the National Assembly as soon as possible and that the outstanding Financial Statements be submitted for audit. (2015/119)



Contingencies Fund Advance Warrant (CFAW)

272. The Ministry requested a Contingencies Fund Advance Warrant (CFAW) due to the estimated expenditure for the remainder of the year being more than what was allotted and available under this line item. In this regard, Contingencies Fund Advance Warrant number 1/2015 was approved on 2 December for the requested amount of \$49M. This advance was paid over to National Agricultural Research and Extension Institute (NAREI) on 15 December via Bank of Guyana cheque number 05-699678 for the assistance to coconut farmers affected by the Red Palm Mite infestation. Three contracts to the value of \$21.511M were awarded in March and April 2016 for the procurement of chemicals. As at September 2016, the entire contract sums were paid and the chemicals were verified as having been received and brought to account. A balance of \$27.489M of the CFAW was being kept in NAREI's Capital Account number 688-610-5 at the Republic Bank (Guyana) Limited. Based on the above, it can be concluded that a CFAW was not necessary in 2015; since the amount allocated was not utilized in 2015. Further, the Appropriation Account was overstated by the \$49M.

273. Amounts totalling \$12 billion were released to Guyana Sugar Corporation Inc. (GUYSUCO) during the period June to December 2015. An examination of Cabinet Decision number CP(2015)6:3:BB dated 16 June 2015 indicated that the sum of \$3.812 billion be treated as a loan. However, no loan agreement was provided, as a result, we are unable to determine the terms and conditions of the repayment of this amount.

*Ministry's Response:* The Head of Budget Agency indicated that GUYSUCO never entered into a Loan agreement for the above amount, whilst the unspent amount by NAREI was transferred to its Current Account and is to be utilized for rearing natural enemies for the Red Palm Mite and purchasing of equipment.

*Recommendation:* The Audit Office recommends that the Ministry comply with the Cabinet Decision and enter into a Loan agreement for the repayment of the \$3.812 billion transferred to GUYSUCO and ensure that any future request for CFAW meets the criteria for such request in accordance with Section 41 of the FMA Act. (2015/120)

AGENCY 22  
MINISTRY OF TOURISM

Current year matters, with recommendations for improvement in the existing system

Subsidies and Contributions to Local Organisations

274. During the year, subsidies totalling \$198.561M were released to four statutory agencies under the control of the Ministry as summarised in the table below. The subsidies were expended for salaries and wages, office materials and supplies, utilities charges and other expenses associated with the operations of the agencies. The agencies are subject to separate financial reporting and audit. However, Financial Statements were never submitted for audit since the establishment of these agencies.

Agency	Amount \$'000	Year Established
Guyana Tourism Authority	174,093	2002
Competition and Consumer Protection Commission	23,468	2011
Guyana Consumer Association	500	1973
Consumer Advisory Bureau	500	1994
Total	198,561	

275. The Ministry also released \$5.600M for capital subvention for the year to the Competition and Consumer Protection Commission. The capital subvention was budgeted for the completion of building, provision for parking area, partition walls and walkway, purchase of table, desk, air conditioning unit, chairs and stabilisers.

*Ministry's Response:* The Head of the Budget Agency explained that efforts are being made to have all outstanding Financial Statements prepared and submitted for audit.

*Recommendation:* The Audit Office recommends that the Ministry submit all outstanding Financial Statements for audit. (2015/121)

AGENCY 23  
MINISTRY OF TOURISM, INDUSTRY AND COMMERCE

276. The Ministry of Tourism, Industry and Commerce was divided into the Ministry of Business and the Ministry of Tourism with effect from 1 September 2015.

Prior year matters, which have not been resolved

Capital Expenditure

277. The Ministry was still to recover two overpayments totalling \$1.424M for incomplete works on the pall-off to sections of the internal drains, and the construction of the western perimeter fence at the National Exhibition Centre Sophia.

*Ministry's Response:* The Head of the Budget Agency explained that a letter was sent to the contractor in 2015 and a follow-up letter was sent in 2016.

*Recommendation:* The Audit Office recommends that Head of Budget Agency take the necessary steps to recover the overpayments and bring this matter to closure. (2015/122)

278. The Ministry processed a cheque numbered 05-448982 dated 7 January 2014, for the sum of \$18.429M payable to the Guyana Power and Light Inc. (GPL) for the installation of electricity at the Belvedere Estate. In June 2014, the cheque became stale dated and the installation of electricity had not commenced. However, on 18 November 2014, the cheque was updated and paid to GPL for the commencement of the works. Audit checks in June of 2015, revealed that the works were still ongoing. In addition, documentary evidence was not presented to substantiate (i) the commencement and completion dates, and (ii) details of work to be done by GPL. Up to the time of reporting, the Ministry still had not presented relevant documentation.

*Ministry's Response:* The Head of the Budget Agency explained that there is a need for the design and construction of a foundation and fencing for two 750 kva transformers to complete this project. This information was not provided for in the estimates submitted by GPL Inc. and as such the Ministry is tasked with the construction of the foundation in order to complete the project.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency take necessary action to have all outstanding works completed on this project. (2015/123)

279. During 2013, the Ministry had awarded a contract in the sum of \$53.278M for the construction of roads, drains, structures and installation of pure water network at Belvedere/Hampshire, Region № 6. Amounts totalling \$45.293M were paid and a physical verification of measured works on 15 September 2014, revealed overpayments totalling \$4.783M. At the time of reporting, the retention amount in the sum of \$5.033M was not processed for payment and has not been paid to the contractor. Up to the time of reporting there has been no indication that the overpayment was recovered.

*Ministry's Response:* The Head of the Budget Agency explained that the payment of the retention sum on this contract was withheld from the contractor to offset this overpayment.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency follow-up this matter with the Ministry of Finance to recover the overpayment. (2015/124)

Current year matters, with recommendation for improvement in the existing system

Current Expenditure

280. In 2015, the sum of \$191.145M was released to four statutory agencies that were under the control of the Ministry as follows:

Agency	Amount \$'000
Guyana National Bureau of Standards	95,461
Guyana Tourism Authority	80,458
Competition & Consumer Protection Commission	9,378
Guyana Small Business Council & Bureau	5,848
Total	191,145

281. The subsidies were expended for salaries and wages, office materials and supplies, utilities charges and other expenses associated with the operations of the agencies. The agencies are subject to separate financial reporting and audit. The statuses of the audits of these entities are reported under their current Line Ministries (Ministry of Business and Ministry of Tourism).

Capital Expenditure

Industrial Development – 4501500

282. The sum of \$81.782M was budgeted for January to August 2015 for the development of roads and drainage structures at Lethem Industrial Estate to improve infrastructure for business development. According to the Appropriation Account, the full sum was expended on the project. The related audit findings are reported under Ministry of Business.

Rural Enterprise Development – 4502800

283. The sum of \$89.173M was budgeted for the period January to August 2015 for the (i) payment for call centres at Tuschen and Enmore; (ii) chip processing machines, factories, staff buildings, fences and facilities at Leguan and Wakenaam; and (iii) consultancy, in order to increase job opportunities and employment, improve access to training and enhancing skill and competency levels. According to Appropriation Account, the full sum was expended. The related audit findings are reported under Ministry of Business.

AGENCY25  
MINISTRY OF BUSINESS

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Subsidies and Contribution to Local Organisations

284. During the year, subsidies totalling \$123.172M were released to three Statutory Agencies under the control of the Ministry. The subsidies were expended for salaries and wages, office materials and supplies, utilities charges and other expenses associated with the operations of the Agencies. The Agencies are subject to separate financial reporting and audit. The table below shows the audited status of each Agency:

Agency	Amount \$'000	Year of Last Audit	Last Report Laid in National Assembly	Remarks
Guyana Office for Investment ( GO-INVEST)	68,000	2013	2013	Finalising report for 2014. Field work completed for 2015.
Guyana National Bureau of Standards	42,704	2007	2001 -2005	2008 and 2009 audits to be finalised, Financial Statements for 2010, 2011 & 2012 submitted for audit; whilst, Financial Statements for 2013, 2014 & 2015 not submitted for audit
Official Small Business Bureau	12,468	2014	2013	2015 audit in progress
Total	123,172			

285. The Ministry also released capital subvention totalling \$22.223M to two of the three Statutory Agencies. The sum of \$16.223M was released to Guyana National Bureau of Standards for the purchase of a truck and a weight cart; whilst, \$6M was released to Guyana Office for Investment (GO-INVEST) to purchase a server, printer, stabiliser, photocopier, computers and air conditioning unit.

*Ministry's Response:* The Head of the Budget Agency explained that the status of audits for the Subvention Agencies under the Ministry for the year 2015 is as follows:

- GNBS – Financial reports for the years 2010, 2011, 2012 were submitted to the Audit Office of Guyana;
- Go-Invest - The 2014 audit was completed and the report is to be finalised. The 2015 audit is in progress; and
- Official Small Business Bureau - copies of Financial Statements were sent to the Audit Office of Guyana to commence the 2015 audit.

*Recommendation:* The Audit Office recommends that the Ministry ensures that all audited reports are laid in the National Assembly and all outstanding Financial Statements should be submitted for audit. (2015/125)

### Capital Expenditure

#### Industrial Development – 4503300

286. The sum of \$108.330M was budgeted for the period September to December 2015 for the provision of roads, drainage structures and infrastructural works at Lethem. A contract was awarded in 2014 under Agency 23 “Ministry of Tourism, Industry and Commerce” in the sum of \$183.963M for infrastructure development works at Lethem. As at 31 December 2014, amounts totalling \$76.991M were paid on the contract; whilst, the sum of \$99.432M were paid in 2015, bringing the total sum paid on the contract as at 31 December 2015, to \$176.423M.

287. At the time of physical verification of the project in August 2016, the works were completed; however, the final payment voucher was not submitted for audit scrutiny. As such, payment made could not be correlated with actual measured works to determine the propriety of the payment made. Notwithstanding this, the following discrepancies were observed:

- the contract specifies an advance payment of 10% of the contract price; however, the contractor was paid 32.61% of the contract price, which is in breach of contract;
- it was observed that a new contract agreement was being prepared and signed for every interim payment made to the contractor;

- no completion certificate was seen to confirm the actual date of completion of the works. It was noted that payment certificate № 3 was for the period ending 21 April 2015, a date by which all of the works should have been completed; however, the details/breakdown of the payment clearly indicate that the works were incomplete at that date (21 April 2015);
- as a result of poor supervision of the works, various sections of the finished road surface were not completed to the required thickness as per contract; and
- the bill of quantities specifies a 51mm or 2” thick compacted layer of asphalt to the carriageway and shoulders; however, our physical verification revealed that the thickness of the finished asphalt layer was inconsistent, with variances ranging from 2” thickness in some areas to as little as ¼” or less in thickness in other areas. There were areas where the asphalt layer was spread very thin and the sub base of the road could be seen through the aggregate in the asphalt mix.

Ministry’s Response: The Head of the Budget Agency has concurred with the findings listed above.

*Recommendation:* The Audit Office recommends that the Ministry ensures that all works undertaken are done in accordance with the specifications outlined in the contracts. (2015/126)

*Rural Enterprise Development – 4503400*

288. The sum of \$134.876M was budgeted for the period September to December 2015 for the (i) completion of call centers at Tuschen and Enmore, and factory buildings at Leguan and Wakenaam, and the purchase of chip processing machines; and (ii) consultancy services for the projects. As at 31 December 2015, amounts totalling \$96.726M were expended on the completion of call centers at Tuschen and Enmore, and factory buildings at Leguan and Wakenaam, and the purchase of chip processing machines; and consultancy services.

*Ministry’s Response:* The Head of the Budget Agency explained that the Chip factory at Leguan has been completed, the Wakenaam chip factory is to be discontinued, the two chip machines are at the store in Sophia, one of which is to be transferred to the Ministry of Agriculture whilst the Call Center at Tuschen is completed and the call centre at Enmore is still to be completed.

*Recommendation:* The Audit Office recommends that the Ministry take necessary action to have outstanding works completed. (2015/127)

AGENCIES  
31 - MINISTRY OF PUBLIC WORKS  
**32 - MINISTRY OF PUBLIC INFRASTRUCTURE**

Prior year matters, which have not been resolved

Current Expenditure

289. On 19 December 2013, officers of the Ministry had just uplifted cash amounting to \$7.847M for the payment of salaries to the Force Account Unit staff for the month of December when it was reported that armed bandits attacked and robbed the officers in the compound of the Ministry and the payroll was stolen. At the time of reporting, this matter was engaging the attention of the Police.

*Ministry's Response:* The matter is still engaging the attention of the Police. Reminders have been sent to enquire about the present status in this matter.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency continue to follow up with the Guyana Police Force on the status of the investigation in order to conclude this matter. (2015/128)

Capital Expenditure

290. Amounts totalling \$776.502M were transferred during 2015 as capital releases to five statutory agencies. These agencies are subject to separate financial reporting and audit. The status of the audits are shown in the table below:



Entity	Subvention Amount \$'000	Last Audit Report Issued	Last Audit Report Laid in National Assembly	Remarks
Demerara Harbour Bridge Corporation	90,000	2013	2013	Audit for 2014 is contracted to private auditors.
Guyana Civil Aviation Authority	65,000	2010	2009	Financial Statements for 2011 was submitted to the Audit Office on 7 January 2016.
Transport and Harbours Department	370,000	2008	2007	Audit for the year 2009 to be finalised. Audit for the year 2010 was contracted out to private Auditors
Cheddi Jagan International Airport Corporation	133,813	2013	2013	Audit for 2014 completed and audit report to be finalized.
Maritime Administration Department (MARAD)	117,689	2003	2003	Audit for 2004 to be finalized, Audit for the year 2005 in progress.
Total	776,502			

*Ministry's Response:* The Head of Budget Agency has indicated that efforts are being made to have the outstanding Financial Statements prepared and submitted for audit.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency take necessary action to have the outstanding Financial Statements prepared and submitted for audit. (2015/129)

291. According to Loan Agreement №. 2215/BL-GY, signed on 21 March 2010, between the Government of Guyana (GOG) and the Inter American Development Bank (IDB), the IDB agreed to provide a loan of US\$24.800M. This agreement does not have a stipulated counterpart contribution and pre-determined categories for payments made by the Government of Guyana. The project entails the (i) completion of CJIA access road and revetment works at East Canje; and (ii) construction at drains at East Bank Demerara Highway. The Project is subject to separate audit and reporting. According to the audited Financial Statements, amounts totalling US\$14.201M equivalent to approximately G\$2.932 billion were expended as at 31 December 2014; whilst, the sum of US\$2.360M equivalent to approximately G\$487.351M were expended in 2015, bringing the total sum expended on the Project to US\$16.561M equivalent to approximately G\$3.420 billion as at 31 December 2015.

292. On 8 December 2010, the Government of Guyana and the Inter-American Development Bank (IDB) signed an agreement under the East Bank Demerara Four Lane Extension Program Loan Agreement №. 2454/BL- GY. The parties agreed to commit amounts of US\$2M and US\$20M, respectively to support the activities under the Program. The main feature of the Project is the expansion of a section of the East Bank Demerara Public Road from two lanes to four lanes between Providence and the entrance to the Diamond Housing Scheme. This project is subject to separate financial reporting and audit.

293. Three contracts totalling US\$17.250M were awarded on 3 October 2011 for the expansion of the East Bank Demerara Four Lane Road. The works under each contract commenced on 1 November 2011 and were scheduled to be completed on 30 April 2013, that is, eighteen months after the commencement date. The works remained incomplete as at 15 September 2016 and extensions of time were granted by the IDB to enable the completion of the outstanding works. There was one approved variation of US\$1.791M in 2015, bringing the total project cost to US\$19.041M. During 2015, amounts totalling US\$1.050M were paid, bringing the total amount paid on the contracts to US\$13.568M, or approximately \$2.802 billion, as shown below:

Description	New Completion Date	Contract Sum US\$	Amount Paid as at 31/12/2014 US\$	Amount Paid in 2015 US\$	Amount Paid as at 31/12/2015 US\$
Lot 1 – Providence to Covent Garden	28/12/2014	8,003,265	5,062,517	137,697	5,200,214
Lot 2 – Vreed-en-Rust to Prospect	04/06/2015	5,802,640	5,205,643	49,632	5,255,275
Lot 3 - Diamond	24/08/2015	5,235,348	2,249,981	862,760	3,112,741
Total		19,041,253	12,518,141	1,050,089	13,568,230

Lot 1 - Providence to Covent Garden:

294. The following were observed:

- (a) the contract was terminated on 23 November 2015 under the General Conditions of Contract, Clause 15.5 - Contracting Agency's Entitlement of Termination for Convenience. The incomplete works were subsequently awarded by the Ministry to two contractors; and
- (b) the Performance Bond expired on the 1 May 2015 and was never renewed. As a result, the Ministry could not recover the sum of US\$800,326.54.

*Ministry's Response:* The Head of Budget Agency has indicated that:

- (a) the project will be practically completed by September 30, 2016; and
- (b) works are still on-going; the Government has extended Lot 2 and Lot 3 contracts by way of addenda to complete the remaining work on Lot 1 and the Performance Bond covered the required time.

Lot 2 - Vreed-en-Rust to Prospect

295. The works which were rescheduled for completion on 4 June 2015 were deemed practically completed on 4 May 2015 and are presently in the defects liability period, which will expire in May 2017.

*Ministry's Response:* The Head of Budget Agency has indicated that the contractor has completed remedial works as required during the defects liability period and routine maintenance activities are also being done by the contractor.

Lot 3 - Diamond

296. The works under this lot were scheduled to be completed on 24 August 2015. The total payments made to the contractor were US\$3.113M as at 31 December 2015. The works were deemed practically completed on 24 August 2015 and at the time of reporting in September 2016, the works were in its defects liability period, which will expire on 31 August 2017.

Supervision

297. A contract was awarded in the sum of US\$1.193M or approximately G\$246.355M for supervision services for the execution of the East Bank Demerara Four Lane Extension Project. There were five approved addenda of which four provided for an increase in the contract sum by US\$1.737M or approximately \$358.690M that is, an increase of one hundred and forty- five percent (145%). As a result of the extensions of the Project, the cost of supervision services was increased to US\$2.930M or approximately \$605.045M. Payments totalling US\$2.680M was paid as at 31 December 2015.

*Ministry's Response:* The Head of Budget Agency has indicated that:

- extension of time and cost was granted, the revised completion date is October 30, 2016 at a revised contract sum of US\$ 3,313,156; and
- The services of the Supervision Consultant are required until the completion of the works.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency continue to take the necessary action to ensure that the monitoring of contracts are undertaken with due consideration to the implementation and/or enforcement of terms and conditions affecting both parties to the contract. (2015/130)

Highway Improvement East Coast Demerara

298. The amount of \$1.220 billion was budgeted for in 2015 under Government of Guyana Highway Improvement, East Coast Demerara Road Project which commenced in 2011. The project entails the (i) upgrading of highway from Better Hope to Belfield; and (ii) supervision. The civil works component of this Project was separated and awarded in seven lots. Payments totalling \$2.656 billion were made as at 31 December 2014, while payments totalling \$95.575M were made during 2015. As at 31 December 2015, the total amount expended on this Project is \$2.752 billion as shown below:

Description	Contract Sum \$'000	Amount Paid as at 31/12/2013 \$'000	Amount paid in 2014 \$'000	Amount paid in 2015 \$'000	Total payment as at 31/12/2015 \$'000
Preparatory Works Lot 1 - Better Hope to Montrose	468,215	207,900	Nil	Nil	207,900
Preparatory Works Lot 2- Montrose to La Bonne Intention	1,193,857	829,699	248,956	Nil	1,078,655
Preparatory Works Lot 3 - La Bonne Intention to Beterverwagting	349,007	226,141	52,205	Nil	278,346
Preparatory Works Lot 4 - Beterverwagting to Triumph	322,369	196,110	13,494	Nil	209,604
Preparatory Works Lot 5- Triumph to Mon Repos	328,499	136,575	17,897	Nil	154,472
Preparatory Works Lot 6 - De Endragt	345,673	188,663	112,692	33,912	335,267
Preparatory Works Lot 7 - De Endragt to Good Hope	498,249	249,124	176,917	59,563	485,604
Highway Improvement Permit	Nil	Nil	Nil	2,100	2,100
<b>Total</b>	<b>3,505,869</b>	<b>2,034,212</b>	<b>622,161</b>	<b>95,575</b>	<b>2,751,948</b>

Lot 1 - Better Hope to Montrose

299. A contract to the value of \$468.215M was awarded for preparatory works for this lot. The contract was terminated by the Ministry on 31 July 2012, citing a breach in the contractual obligations contrary to Clause 15.6 “Corrupt or Fraudulent Practices” by the contractor, as recommended by the Attorney General. At the time of this report in September 2016, there was no evidence to confirm that the Ministry was able to recover the sum of \$81.570M which represents the contractor’s indebtedness based on a valuation at the time of termination in accordance with Clause 15.3 of the contract. It was reported in my 2014 Report that the contractor has sued the Government for wrongful termination of contract, and that the matter was before the High Court.

*Ministry’s Response:* The Head of Budget Agency explained that the Ministry has not recovered the outstanding sum of \$81.570M to date and that the matter is engaging the attention of the Court.

*Recommendation:* The Audit Office recommends that the Ministry continue to follow-up this matter to its conclusion. (2015/131)

Lot 3 - La Bonne Intention to Beterverwagting

300. A physical verification carried out on Lot 3 revealed that the works were incomplete and it was noted that there were changes/variations to the original scope of works. In addition, the following were observed:

- (a) the site appears to have been abandoned with no equipment or personnel from the contractor on site while the contract completion date expired on 17 June 2015 and at the time of reporting the position remain the same;
- (b) the contractor received three Advance payments totalling \$264.123M, which represents 76% of the contract sum, while the contract only allows for an Advance payment of 50%. This is a breach of contract where the contractor was paid Advances greater than that which is allowed for under the contract;
- (c) at the time of reporting, a valuation of the works completed was \$157.663M. However, the actual payments made to the contractor totalled \$278.346M. Therefore, the contractor received excess payments totalling \$120.683M;
- (d) further, the contractor submitted Bonds for the respective Advance payments, however, it was noted that all three Advance Bonds expired since 2014 and the Advance payments were not recovered at the time of the reporting. As a result of the expiration of the Bond, the Ministry is solely dependent on the contractor to repay the outstanding amounts; and

- (e) the Performance Bond expired on 31 December 2014; this Bond should have still been valid at the time of the physical verification; as a result of this expiration, the Ministry can no longer recover the amount of \$35M covered by this bond.

*Ministry's Response:* The Head of Budget Agency explained that-

- (a) the works were completed. There was a variation to the contract that resulted in the construction of timber revetment on the southern side of the road;
- (b) the contractor has received three advance payments totalling \$264.123M (which is 75.7% of the contract sum), while the contract only allowed for one advance payment of 50% of the contract price. However, the contractor provided advance payment bond covering the sum of \$264.123M during the execution of the works, these bonds expired on the 31 October 2014;
- (c) the agreed completed value of the works was \$157.663M and the total payments made to the contractor was \$278.346M, resulting in the contractor being overpaid amounts totalling \$120.683M. The Ministry has written the contractor many times requesting that restitution be made for the outstanding sum of \$120.683M. To date the contractor has not repaid any of the amounts owed;
- (d) the total Advance payment was not recovered at the time of reporting. The Ministry has written the contractor many times requesting that restitution be made for the outstanding sum of \$120.683M. To date the contractor has not repaid any of the amounts owed; and
- (e) this is true. The performance bond expired on the 31 December 2014 but should have been valid at the time of physical verification since it was within the defects liability period and should be valid for one year after completion of works.

#### Lot 4 - Beterverwagting to Triumph

301. At the time of reporting the works at Lot 4 were incomplete and the site appears to be abandoned. Also the following were observed:

- (a) the contractor received three Advance payments of \$209.603M, representing 65% of the contract sum, while the contract only allows for an Advance payment of 50%. This is a breach of contract where the contractor was paid advances greater than that which is allowed for under the contract. Further, the contractor submitted only one Advance Bond for the first advance payment of \$174.504M. This Bond expired since 2014. No Bond was seen for the second advance payment issued to the contractor;
- (b) the Performance Bond expired on 31 December 2014; and

- (c) at the time of reporting, a valuation of the works completed was \$76.954M. However, the actual payments made to the contractor amounted to \$209.603M. Therefore, the contractor received excess payments totalling \$132.649M at the time of the physical verification (*see figure 10*).

*Ministry's Response:* The Head of Budget Agency explained that:

- (a) the contractor has received three advance payments totalling \$209.603M (which is 64.9% of the contract sum), while the contract only allowed for one advance payment of 50% of the contract price. However, the contract provided advance payment bond covering the sum of \$209.603M during the execution of the works, these bonds expired on the 31 October 2014;
- (b) This is true. The performance bond expired on the 31 December 2014 but should have been valid at the time of physical verification since it was within the defects liability period and should be valid for one year after completion of works; and
- (c) The agreed completed value of works was \$76.954M and the total payments made to the contractor were \$209.603M. The contractor has received excess payments totalling \$132.649M. The Ministry has written the contractor many times requesting that restitution be made for the outstanding sum of \$132.649M. To date the contractor has not repaid any of the amounts owed.

*Recommendation:* The Audit Office recommends that the Head of the Budget Agency continue to pursue the matter with a view to recover the amounts overpaid. (2015/132)



**Figure 10**

**Ministry of Public Infrastructure**

Contract: Highway Improvement East Coast Four Lane,  
Region# 4 - Lot 4- Beterverwagting to Triumph

Incomplete works- works completed to southern side of carriageway only,  
no works commenced on northern side of carriageway

**Total Overpayment G\$132,649,172**



Lot 5 - Triumph to Mon Repos

302. The following were observed in relation to Lot 5:
- (a) the contract completion date expired on 17 June 2015 and at the time of reporting the works were incomplete and the site appears to have been abandoned. No equipment or personnel from the contractor were on site;
  - (b) the advance payment was not fully recovered at the time of reporting; however the Advance Payment Bond expired on 12 December 2015. As a result, the amount of \$14.806M was outstanding at the time of reporting in September 2016; and
  - (c) the Performance Bond no longer provides the required period of coverage for the works. This Bond expired in December 2015 and as a result of this expiration, the Ministry can no longer recover the amount of \$32.892M covered by this bond.

*Ministry's Response:* The Head of Budget Agency explained that:

- (a) the works were incomplete;
- (b) that is true, the contractor has received advance payments totalling \$98.677M; the agreed value of works to date is \$139.667M. The total payment made to the contractor was \$154.472M. Therefore a part of the advance payment totalling \$14.806M has not been recovered. The Ministry has written the contractor several times requesting that restitution be made for the outstanding sum owed. To date the contractor has not repaid any of the amounts owed. It is true that the advance payment bond was valid until 12 December, 2015; and
- (c) this is true that the Performance Bond expired in December, 2015.

Road Network Upgrade and Expansion Project

303. On 15 March 2013, the Government of Guyana and the Inter-American Development Bank (IDB) signed a loan agreement No. 2741/BL-GY, whereby IDB agreed to provide financing in the sum of US\$66.20M and Government of Guyana contribution of US\$3M, to finance the execution of a Road Network Upgrade and Expansion Project. The Project entails enhanced mobility and safety by reducing vehicle operating costs, travel time and road fatalities. The completion date for all activities under the programme was stated as five years from the effective date of the agreement.

304. The sum of US\$8.024M or G\$1.685 billion was budgeted for in 2015 for (i) upgrading of road from Rupert Craig Highway to Public Road Junction at Houston (ii) studies, design, upgrading and construction of East Bank Berbice, Canals Nos. 1 and 2, West Bank Demerara and Grove to Timehri roads; and (iii) road safety. As at 31 December 2015, amounts totalling US\$98,432 or approximately G\$20.326M were expended under this programme. The project is subject to separate financial reporting and audit. The following were observed:

- the Project received one advance of funds on 18 December 2013 in the amount of US\$5.810M. During 2014, amounts totalling US\$355,523 were expended leaving a balance of US\$5.442M. In keeping with the Annual Operations Plan for the year 2015, the Project planned to expend a total of US\$13.258M from the proceeds of the loan. However, the IDB's review of the Annual Operations Plan along with two administrative visits to the Project in February 2015 and April 2015 revealed that the cash flow needs of the Project for the next six months was estimated to be US\$1M, while the balance in the Project's bank account was US\$5.403M. As a result, the IDB requested that the sum of US\$4.4M be refunded to the Bank in keeping with Article 4.08 of the Project Agreement. This amount was refunded by the Project on 29 May 2015.
- two contracts were awarded in 2014 to the same contractor for consultancy services. The first contract was awarded in the sum of US\$586,800 for such services to the West Bank Demerara and Canal Polder Roads Design Project. The contract which commenced on 27 May 2014 had a stated duration of twenty-four weeks, and was expected to be completed by 11 November 2014. At the time of reporting the contract had expired and the works remained incomplete; and
- the second contract was awarded in the sum of US\$397,450 for such services to the East Bank Berbice Road Design Project. The contract which commenced on 27 May 2014 had a stated duration of sixteen weeks, and was expected to be completed on the 15 September 2014. The sum of US\$99,385 or 25% of the contract sum was paid. At the time of reporting the contract had expired and the works remained incomplete.

*Ministry's Response:* The Head of Budget Agency explained that:

- Based on the Loan agreement, the Advance of Funds to the tune of US\$5.81M was paid to the Ministry. A significant part of this sum was to be paid against the Mobilization Advance of the rehabilitation of the Sheriff Street – Mandela Avenue Road Project, however this project suffered significant delays as such the Bank requested that the sum of US\$4.4M to be refunded;
- As the disbursement of the loan increases, this sum will be made available to the Ministry; and

- no further works have been completed. The Ministry is presently exploring options either (i) to terminate the existing contract or continue with a new contractor; or (ii) to extend the duration of the existing contract.

*Recommendation:* The Audit Office recommends that the Head of the Budget Agency continue to take the necessary action to ensure that monitoring of contracts are undertaken with due consideration to the implementation and/or enforcement of terms and conditions affecting both parties to the contract. (2015/133)

#### Current year matters, with recommendation for improvement in the existing system

##### Capital Expenditure

###### Hinterland Electrification

305. The amount of \$6M was budgeted for the provision of transformers to Mahdia and Port Kaituma. As at 31 December 2015, the amount of \$2.910M was released as subsidies and contributions to Hinterland Electrification Company Incorporated. However, at the time of reporting in August 2016 no expenditure was incurred.

*Ministry's Response:* In the latter part of December 2015, an amount of \$2.910M was released to make an advance payment to Tels Engineering Services for supplying of transformers for Mahdia and Port Kaituma Power and Light. This is a roll-over project from 2015 for which approval was given. A request for payment was made on 4 January 2016 to NICIL, which at that time was processing all payments for Hinterland Electrification Company Incorporate (HECI). During that time a forensic audit was being conducted on NICIL and the signatories to HECI bank account were sent on administrative leave and the payment was not processed. After the protracted delay in getting new signatories, the advance payment bond expired. When contacted for a renewal of the bond, the supplier indicated that he was no longer interested in the advance payment and would collect full payment after fulfilling the terms of the contract. The supplier has indicated that the transformers will be shipped in another two weeks time.

*Recommendation:* The Audit Office recommends that the Ministry continue to follow-up this matter with a view of bringing closure. (2015/134)

###### Road Improvement and Rehabilitation Project

306. A contract was awarded in 2011 for the sum of US\$3.039M to enable the construction of a new access road to Cheddi Jagan International Airport, Timehri. The cost for the construction of this road was funded entirely by GOG. As at 31 December 2015, amounts totalling US\$3.007M were paid to the contractor. At the time of reporting, the Audit Office was conducting a Performance Audit into the construction of the road, and a separate report would be issued shortly.

AGENCIES  
41 - MINISTRY OF EDUCATION  
40 - MINISTRY OF EDUCATION

Prior year matters, which have not been resolved

Current Expenditure

307. During the years 2010 to 2015, amounts totalling \$7.104M were overpaid as net salaries to employees due to pay changes directives not being forwarded in a timely manner to the Central Accounting Unit of the Ministry. Of this sum, amounts totalling \$876,000 were recovered for the years to 2010-2014, leaving amounts totalling \$6.228M still to be recovered. The related total deductions for the years 2010 to 2015 totalling \$2.209M paid over to the various agencies were also not recovered, as shown below:

Year	Details of Overpayment				Balance (A+B-C) \$'000
	Net Salaries (A) \$'000	Deductions (B) \$'000	Total (A+B) \$'000	Recovered (C) \$'000	
	2010	423	569	992	290
2011	384	218	602	Nil	602
2012	703	242	945	73	872
2013	465	66	531	57	474
2014	705	171	876	456	420
2015	2,215	943	3,158	Nil	3,158
<b>Total</b>	<b>4,895</b>	<b>2,209</b>	<b>7,104</b>	<b>876</b>	<b>6,228</b>

*Ministry's Response:* The Head of Budget Agency has indicated that the Ministry is still in the process of resolving this matter.

*Recommendation:* The Audit Office recommends that the Ministry initiate a review of the system to ensure that the measures in place are updated to provide more efficient, effective and timely advice to the Central Accounting Unit. (2015/135)

308. Further, a Temporary Qualified Class Three Master attached to St. Mary's Secondary School was overpaid basic salary arrears of \$30,000 which was not still recovered at the time of reporting in September 2016.

309. The Ministry had still not taken the necessary steps to ensure that all employees have permanent National Insurance Scheme numbers. In 2014, ten employees were with temporary NIS number. Similarly in 2015, twelve also had temporary NIS numbers. At the time of reporting in September 2016 the employees were still without permanent NIS numbers. It should be emphasised that the failure to have employees fully registered with the Scheme has implications for Social Security and other benefits for the employees.

*Ministry's Response:* The Head of Budget Agency has indicated that the Ministry would have liaise with other agencies in an attempt to recover the amounts overpaid and the Ministry is engaging NIS to resolve this matter.

*Recommendation:* The Audit Office recommends that the Ministry ensure that all employees are registered with the National Insurance Scheme and that the Ministry initiates a review of the system to ensure that the measures in place are updated to provide more efficient, effective and timely advice to the Central Accounting Unit. (2015/136)

310. For the period under review, amounts totalling \$7.170 billion were transferred to various Agencies. The amounts were verified as being received and properly brought to account in the records of the agencies. The following statutory entities which were last audited as shown below, are under the control of the Ministry. At the time of reporting these entities were still to have their reports laid in the National Assembly.

Name of Agency	Amount \$'000	Year of Last Audit Report	Remarks
President's College	274,035	2001	Financial Statements from 2002 – 2007 returned for corrections. 2008 - 2015 no Financial Statements were presented.
Queens College	126,349	2006	Audit for 2007 being finalised; 2008 - 2009 Financial Statements presented; 2010 - 2015 no Financial Statements were presented.
University of Guyana	1,100,983	2013	Audit of 2014 contracted out.
National Library	208,231	2012	Audit for 2013 to be finalised.

*Ministry's Response:* The Head of Budget Agency has indicated that the Financial Statements for the institutions would be submitted shortly. In relation to having reports laid in the National Assembly, the relevant agencies will be written to, in order to have the reports laid in the National Assembly.

*Recommendation:* The Audit Office recommends that the Ministry institute measures to ensure full compliance with financial and other requirements. (2015/137)

311. Amounts totalling \$419.582M were expended on School Feeding Programme for the purchase of juice and biscuits in 2014. Examination of payment vouchers revealed discrepancies, in that monthly distribution reports were not returned by the Divisional Officers to the Book Distribution Unit (BDU) who was tasked with the responsibility of distributing the juices and biscuits to schools within the respective Regions. Similarly in 2015, amounts totalling \$309.731M were expended, and Monthly Distribution Reports were not always returned to the Book Distribution Unit. The non-submission of the Monthly Distribution Reports made it impractical to ascertain whether the schools had received the juices and biscuits for the period for which reports were un-presented. The table below reflects the months for which the distribution reports remained outstanding.

Region №	Outstanding Distribution Reports
1	October 2014
7	January to June; September to December 2014; & February to June 2015
8	February to April, June, September to November 2014; & February, May to June 2015

*Ministry's Response:* The Head of Budget Agency acknowledges that monthly distribution reports were not submitted. However, there are individual listings for each school substantiating delivery.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that the systems put in place to account for the distribution of juice and biscuits are functioning effectively. (2015/138)

312. In 2015, the Ministry continued to breach the requirements of the Stores Regulations in relation to the following:

- (a) assets distributed to various Institutions, Departments, Colleges and Schools were not marked to readily identify them as Government property; and
- (b) although the Ministry maintained Stock Ledger and Bin Cards, Stores Ledgers were not maintained at Government Technical Institute, Guyana Industrial Training Centre, New Amsterdam Technical Institute, Essequibo Technical Institute, Leonora Technical Institute and Cyril Potter College of Education in keeping with the requirements of the Stores Regulations 1993. As a result, vital control mechanisms to ensure proper accountability for Stores were not in place.

*Ministry's Response:* The Head of Budget Agency has indicated that (a) marking of the assets is an ongoing process and assets under warranty are not marked until the warranty expires, and (b) stores ledgers would be implemented immediately.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that periodic checks are carried out to identify non-compliance with the Stores Regulations. (2015/139)

### Capital Expenditure

313. In 2008, the Ministry entered into a contract in the sum of \$18.470M for the supply of equipment for Technical/Vocational Projects. However, the contractor failed to honour the terms of the agreement, even though the Ministry had paid over the full contract sum. At the time of reporting in September, 2016, equipment valued at \$10.545M had not been received, even though eight years have elapsed since the signing of the agreement and payment of the contract price.

*Ministry's Response:* The Head of Budget Agency has indicated that the Ministry had engaged the Ministry of Legal Affairs for guidance on the way forward.

*Recommendation:* The Audit Office recommends that the Ministry continue to monitor the proceedings in this matter. (2015/140)

314. The Ministry was still to recover overpayments made to contractors totalling \$1.485M, in respect of schools for the years 2010 and 2012, which remained outstanding, as shown below:

Description	Contract Sum \$'000	Amount Paid \$'000	Measured Works \$'000	Amount Overpaid \$'000
IT Laboratory at Charity Secondary	4,058	4,032	3,634	398
Central Corentyne Secondary	10,945	2,836	2,634	202
New Wing to Patentia Secondary	95,179	94,417	93,532	885
Total	110,182	101,285	99,800	1,485

*Ministry's Response:* The Head of Budget Agency has indicated that the Ministry continues to seek guidance from the Finance Secretary on the way forward.

*Recommendation:* The Audit Office recommends that the Ministry follow-up these matters to ensure that the overpayments are recovered and the matters brought to closure. (2015/141)

315. In 2011, approval was given for the establishment of a Housing Revolving Fund. Three cheques valued at \$200M were drawn on 5 January 2012 and deposited into a special bank account No. 0162600406002 held at the Bank of Guyana. On 30 April 2015, an agreement was signed for a joint account to be set up between the Ministry and the Guyana Teacher's Union. At the time of reporting in September 2016, the Ministry had not established the joint account and no disbursements were made from the special bank account.

*Ministry's Response:* The Head of Budget Agency has indicated that the Ministry is seeking guidance from the Finance Secretary on the way forward.

*Recommendation:* The Audit Office recommends that the Ministry continues to engage the Finance Secretary with regards to the present position in this matter. (2015/142)

316. In 2015, the sum of \$505M was allocated for (a) provision for education quality improvement – science, curriculum reform, instructional design and research; (b) infrastructure rehabilitation, equipping of science laboratories, drainage, internet network, multimedia equipment; and (c) institutional capacity building.

317. The University of Guyana Science and Technology Support Project was funded by the Government of Guyana and the International Development Association (IDA) under Credit Agreement № 4969-GY and was subject to separate financial reporting and audit. According to the Appropriation Account, amounts totalling \$502.930M were expended during the period under review. However, the records of the Project reflected expenditure totalling \$715.255M giving a difference of \$212.325M.

318. According to the Project Agreement, the period of execution was stated as fifty-seven months from the effective date of the Agreement. Therefore, all activities are expected to conclude on 30 June 2017. It was observed that amounts totalling US\$4.406M were expended in the first thirty-nine months, which represents 38% of the total Project sum. This was due to slow achievement of various Project objectives within the stipulated time frame which includes the purchasing of instructional software, a facilities management study, rehabilitation of campus-wide drainage infrastructure and the procurement of laboratory furniture. It should be noted that at the time of reporting, the above stated activities had not commenced.

*Management's Response:* The purchasing of Instructional Software, completion of Facilities Management Study, rehabilitation of Campus-wide drainage infrastructure and Procurement of Laboratory Furniture has not commenced due to the following reasons:

- (a) as at 31 May 2016, the project experienced a short-fall in financing due to the depreciation in the value of Special Drawing Rights (Currency of the Credit). An application for additional financing was approved by Cabinet on 23 June 2015, submitted to the World Bank on 29 June 2015 and approved by the World Bank's Board on 8 December 2015. During the process of approval of the additional financing, the awarding of the abovementioned contracts was delayed;
- (b) the purchasing of instructional software and completion of facilities management study were further delayed because the University requested additional time to review these two Project activities; and
- (c) the rate of delivery accelerated during the second half of 2015 and the first half of 2016. During this period, major project activities including the rehabilitation of buildings, procurement of laboratory furniture and equipment and rehabilitation of campus wide drainage network were all at an advanced stage and would be completed in 2016. The completion date remains 30 June 2017 and the Ministry does not envision time overrun on the existing project activities.



319. During 2015, there was an approved variation by the Bank for an additional sum of US\$105,728, giving a final project cost of US\$473,742. However, approval from the National Procurement and Tender Administration Board along with Cabinet's no objection to amend the contract was not provided for audit examination. It should be noted that the variation in price represents a 29% increase in the initial contract price which was caused by the following:

- the Terms Of Reference (TOR) foresees the work for the schematic design to be done in different phases. However, the University requested the work to be done simultaneously and therefore the National Resident Supervisor was replaced with an international resident architect;
- the amount of works to be supervised was much higher than what was initially estimated. This required increasing the input of the part-time national expert;
- conditions of the building structure will once again be assessed; this requires the involvement of a structural engineer; and
- extensive involvement of the Project Manager and Senior Architect of the consultant team whose contribution to the supervision phase was expected to be much higher.

*Management's Response:* Management explained that in April 2015, the contracts for the rehabilitation of buildings under Lots 1 and 2 were signed. At that time, the design and supervision consultants requested an amendment to the cost for supervision. After negotiations between the Project Execution Unit (PEU) and Consultants, no objections to the amendment were obtained from the World Bank on 13 May 2015. The Consultants indicated that they would not commence supervision unless this amendment was signed. Due to the transition that was taking place at the level of the Cabinet and in an effort to avoid the commencement of construction works without the supervision consultant, the contract amendment was signed. There was an oversight during this period in not seeking the NPTAB approval to the proposed consultant's contract amendment. Based on the Auditor's finding, the PEU has since approached the NPTAB for the necessary approval in adherence to the Procurement Act.

*Recommendation:* The Audit Office recommends that Management of the Project comply with the requirements of the Procurement Act of 2003. (2015/143)

#### Current year matters, with recommendations for improvement in the existing system

##### Current Expenditure

##### Employment Cost

320. According to the National Estimates, the Ministry was authorised to have a total of six hundred and one contracted employees. However, according to the Ministry's December 2015 payroll, there were three hundred and six contracted employees. Below are details of the contracted employees:

Salary Range \$	No. of Employee	Amounts \$'000
Below 100,000	213	11,091
100,000 – 250,000	75	12,109
250,000 – 400,000	12	3,585
Above 400,000	6	3,156
Total	306	29,941

321. An examination of thirty-four new employees' personal files for the period under review revealed that there was no evidence that the vacancies filled by the Ministry were advertised; in addition, certificate of characters and references for officers now joining the Ministry were not seen.

*Ministry's Response:* The Head of Budget Agency has indicated that some of the vacancies would have been advertised by Public Service Commission.

*Recommendation:* The Audit Office recommends that the Ministry put system in place to ensure that all relevant documentation is placed in employees' personal files. (2015/144)

322. The Ministry of Finance urged that cash payments of salaries be minimised after the introduction of the Integrated Financial Management and Accounting System (IFMAS) in 2004, and that employees be paid under the bank deposit system as stipulated by Circular No 3/2003 dated 29 September 2003. The Ministry had not fully complied with the instruction as it relates to cash payments. An examination of the December 2015 payroll revealed that cash payments amounting to \$3.829M were made to thirty-four employees.

*Ministry's Response:* The Head of Budget Agency has indicated that corrective action will be taken.

*Recommendation:* The Audit Office recommends that the Ministry adhere to Finance Secretary's Circular No. 3/2003. (2015/145)

### Goods & Services

323. The sum of \$523.323M was budgeted under Training and Development, Nursery, Primary and Secondary Schools, Line Item 6224 - Print and Non Print Materials. According to the Appropriation Account, amounts totalling \$516.902M were expended. During the period under review, NPTAB awarded sixteen contracts for a total sum of \$463.993M for writing of Primary Reading textbooks, Resource Materials and printing of Nursery, Primary and Secondary Schools text books.

324. One contract was awarded to the Permanent Secretary, Ministry of Education in the sum of \$7.450M for writing of Atlantic Reader Grade four, five and six text books to be used at Primary Schools. Fourteen persons were employed by the Ministry to undertake the writing of the books. Of the persons employed, twelve were Senior Education Officers of the Ministry. As at 28 April 2015, amounts totalling \$6.750M were paid. However, the Ministry had not entered into formal contractual agreements with the persons who were paid. In addition, at the time of reporting in September 2016, the project was not completed.

*Ministry's Response:* The Head of Budget Agency has indicated that the printing of the text is still a work in progress.

*Recommendation:* The Audit Office recommends that the Ministry comply with the requirements of NPTAB and that payment must be made after services are rendered. (2015/146)

325. Included in the total sum expended are amounts totalling \$389.426M paid for printing of Nursery, Primary and Secondary text books. The National Procurement and Tender Administration Board (NPTAB) awarded fifteen contracts to seven suppliers in the sum of \$389.426M for printing of the text books. The suppliers were paid a total of \$113.851M in 2015 and in 2016; further amounts of \$265.268M were expended, bringing total payments to \$379.119M.

326. Suppliers were in breach of the conditions of the contract for late delivery. In addition, the Ministry failed to enforce the penalty of 0.5% on the contract sum for each day of untimely execution of the contract.

*Ministry's Response:* The Head of Budget Agency has indicated that delays in the supply of the books were due to ambiguity in the instructions given to the suppliers.

*Recommendation:* The Audit Office recommends that the Ministry adhere to the contract clauses. (2015/147)

#### Fuel and Lubricants

327. The Ministry has a total of eighty-eight serviceable vehicles. However, log books were presented for eighty-three, leaving five still to be presented for examination. In addition, the Ministry did not maintain a fuel consumption register for the period under review, and reconciliation with GUYOIL statements was not carried out. Further, it could not be determined whether supervisory checks were conducted to ensure fuel orders were collected from the suppliers since charge bills were not presented for the period under review.

*Ministry's Response:* The Head of Budget Agency has indicated that reconciliation is now being done and outstanding log books are now available.

*Recommendation:* The Audit Office recommends that the Ministry comply with the Stores and Financial Regulations. (2015/148)

Dietary

328. The sum of \$1.435 billion was budgeted under dietary. According to the Appropriation Account, amounts totalling \$1.429 billion were expended as at 31 December 2015. Included in this sum were amounts totalling \$183.544M which were expended on the provision of hot meals to sixteen thousand, three hundred and seventy-eight students of ninety-seven Primary Schools in four hinterland Regions. Below are details of the payments made:

Region No	No of Schools	Enrollment Number	Amount Received \$'000
1	34	6,916	76,234
7	25	3,839	42,990
8	17	2,055	23,548
9	21	3,568	40,773
Total	97	16,378	183,545

329. An audit examination carried out on the records maintained by six schools in Region No. 7 and Region No.9 revealed the following discrepancies:

- St. Ignatius Primary School receipts and payments cash book was only written up to July, 2015;
- receipts and payments cash book was not properly written up and maintained in respect of the schools visited;
- there was a lack of segregation of duties;
- stock ledgers and Goods Received Books were not properly written up and maintained;
- there was no evidence of the records being checked by any member of the Committee;
- meetings were not held by the Committee to determine amounts to be withdrawn from the schools' bank account;
- treasurers kept unspent balances in their personal possession;
- the bank accounts were not reconciled for the period under review; and
- there were differences between the number of students supplied with hot meals and the students enrolled.

*Ministry's Response:* The Head of Budget Agency has indicated that corrective action has been taken.

*Recommendation:* The Audit Office recommends that the Ministry adheres to the requirements of the Stores and Financial Regulations. (2015/149)

### Security Grants

330. The sum of \$400.686M was budgeted for Security Services for Nursery, Primary, Secondary and Post-Secondary/Tertiary Education. As at 31 December 2015, amounts totalling \$393.050M were expended. Audit examination carried out at a sample of twenty-eight schools revealed the following:

- the bank accounts were not reconciled;
- security services were paid for in advance;
- no contractual agreements were entered into with the security firms;
- payments were not made on invoices submitted by the security firm; and
- cash books were not maintained by several schools.

*Ministry's Response:* The Head of Budget Agency has indicated that corrective action will be taken.

*Recommendation:* The Audit Office recommends that the Ministry comply with Financial Regulations. (2015/150)

### Capital Expenditure

#### Building

331. In 2014, NPTAB granted approval for the award of contract in the sum of \$204.837M for the construction of Zeeburg Secondary School. The contract was awarded to the lowest of four bidders. According to the contract, all works were expected to be completed by 24 October 2015. The Ministry was granted approval by the Finance Secretary on 31 December 2015 to enter into multi-year contracts; however, there was no evidence that the contractor was granted extension to complete the works in 2015. In 2014, amounts totalling \$89.437M were paid and in 2015, amounts totalling \$74.350M were paid to the, bringing total payments on the contract to \$163.787M. Physical verification carried out in September 2016 revealed that works were practically completed and the following discrepancies were observed:

- (a) the contractor supplied and installed pine doors to the school and laboratory building instead of hardwood (kabukalli) doors, as specified in the contract. Further, the Ministry accepted the pine doors (softwood) doors and paid the same rate as that of the hardwood doors, although the contractor supplied doors of lesser value and lesser quality;

- (b) the contract specifies that pre-painted roof sheeting be installed to the buildings. However, the contractor supplied and installed unpainted roof sheeting to both the Laboratory School Buildings. The Ministry again accepted the unpainted roof sheeting and the contractor was paid the full price as pre-painted roof sheeting; and
- (c) the doors installed to the stalls of the sanitary block are smaller in size and are made of plywood instead of hardwood, as specified in the Contract. Payments were again made for hardwood doors by the Ministry.

*Ministry's Response:* The Head of Budget Agency indicated that the Ministry will be writing the contractor along with the Clerk of Works on this project with the view of having all corrective works done. However, at this point of time the Ministry still have unpaid sums owing to the contractor and as such if the contractor fails to undertake the correction, the value of the corrected works will be deducted from sum owing.

*Recommendation:* The Audit Office recommends that the Ministry ensure that all contractors adhere to the specification as stipulated in the Bill of Quantities. (2015/151)

332. The sum of \$234.770M was budgeted for (i) payment of retention; (ii) construction and Rehabilitation for Nursery, Primary and Secondary School; (iii) construction of science laboratories; and (iv) power supply and consultancy. As at 31 December 2015 amounts totalling \$ 234.736M were expended. Approval was given by NPTAB for the awarding of a contract in the sum of \$30.839M for the Construction of Cummings Park Nursery School. The contract was awarded to the lowest of six bidders. The contract was signed on 6 August 2014 with commencement date stated as 20 August 2014 with duration of five months. According to the certificate of final completion, the works were completed in March 2015 which is one month after the contractual completion date of February 2015. However, there was no evidence that extension was given by the Ministry since copy of the extension letter was not presented for examination. As at 31 December 2015, the full contract sum was paid to the contractor. A physical verification carried out revealed that the works were completed and overpayments totalling \$312,300 were made to the contractor as shown below:

Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid G\$
Corridor of Building						
6" HC Blocks with infill concrete as kerb to corridor.	23	15	sy	8	4,000	32,000
1:3 rendering to HC block surfaces	46	30	sy	16	1,000	16,000
Perimeter Fence/ Entrance Bridge						
Excavate strip foundation trench n.e 18" dp. Wet loose soil	34	12	cy	22	1,200	26,400
Level and ram bottom of foundation trench	69	46	sy	23	300	6,900
Return, fill and ram earth a.b.d and dispose to a suitable location on site	34	12	cy	22	500	11,000
Bill # 16 Additional Works						
Mid Steel reinforcement for Roof truss support	22	0	sy	22	10,000	220,000
<b>TOTAL</b>						<b>312,300</b>

*Ministry's Response:* The Head of Budget Agency that the Ministry will be writing the contractor with the view of having the sum overpaid recovered.

*Recommendation:* The Audit Office recommends that the Ministry make every effort to recover the overpaid amount, while implementing stricter supervisory controls over execution and certification of works. (2015/152)

#### Secondary Education Improvement Project

333. On 10 October 2014, the Government of Guyana and the International Development Association (IDA) signed a Credit Agreement № 54730-GY whereby the IDA agreed to provide the sum of SDR 6.500M or US\$10M to assist in strengthening the capacity of Secondary Schools. The aim of the project was to strengthen the capacity of Secondary School Mathematics Teachers' nationwide and increase enrollment in General Secondary Schools in targeted Regions. The project commenced on 25 November 2014 with a completion date of 31 March 2020. The project is subject to separate financial reporting and audit.

334. In 2015, the sum of \$60M was allocated for (a) construction of Secondary Schools; (b) strengthening capacity of Secondary School mathematics teachers; and (c) institutional strengthening. According to the Appropriation Account, amounts totalling G\$57.217M were expended. The records of the Project showed the sums disbursed as follows:

Description	G\$'000
Strengthen the Capacity of Secondary School Mathematics Teachers	13,971
Institution Capacity Building & Project Management	43,246
Total	57,217

Teacher Education Project

335. On 19 January 2011, the Government of Guyana and the International Development Association (IDA) signed a Credit Agreement № 48030-GY whereby the IDA agreed to provide the sum of SDR 2.800M or US\$4.2M to assist the recipient to improve the effectiveness and efficiency in the delivery of quality teacher education. The project commenced operations from 18 July 2011 with a completion date of 31 July 2015, and is subject to separate financial reporting and audit.

336. In 2015, the sum of G\$120.273M was allocated for (a) delivery of Associate Degree in Education and Bachelor's Degree in Education; (b) strengthening of human resource and technical capacity of Cyril Potter College of Education and University of Guyana School of Education and Humanities; and (c) implementation of public communication campaign. According to the Appropriation Account, the entire sum of G\$120.273M was expended. The records of the Project showed sums disbursed as follows:

Description	G\$'000
Consultancy Service	88,964
Non-consultancy Service	20,662
Goods	7,597
Operating costs	3,050
Total	120,273

Early Childhood Education Project

337. The sum of \$72M was allocated for (a) capacity building; (b) supply of teaching and learning materials; and (c) parental/caregiver education. According to the Appropriation Accounts, amounts totalling \$9.624M were expended. The records of the Project showed that the sum disbursed was expended on project implementation.



338. On 5 June 2015, the Government of Guyana and the International Development Association (IDA) signed a Grant Agreement № TF019053-GY whereby the IDA agreed to provide the sum of US\$1.700M to improve emergent literacy and numeracy for children at the Nursery Level and Primary Grade One in Hinterland Regions and targeted remote riverine areas. The project commenced operations from 5 June 2015 with a completion date of 30 September 2018, and is subject to separate financial reporting and audit.

#### Stores and Other Public Property

339. The Ministry during the period under review, was in breach of the requirements of the Stores Regulations 1993 as it relates to the following:

- a Master Inventory was not maintained for the assets purchased;
- Bin Cards were not maintained by the Storekeeper for the receipt and issue of goods;
- serviceable and unserviceable stores were not stored separately;
- differences were observed between the Stock Ledger balances and the physical counts; and
- Gift Register was maintained by the Ministry in accordance Section 34 of the Stores Regulations № 6 of 1993. However, there was no evidence that the Finance Secretary was written to with a view of having the gifts received brought to account in the Country's account.

*Ministry's Response:* The Head of Budget Agency has indicated that the matter is engaging the attention of the internal auditor.

*Recommendation:* The Audit Office recommends that the Ministry put system in place to fully comply with the Stores Regulations. (2015/153)

#### Other Matters

340. Twenty-nine payment vouchers totalling \$106.184M for the period under review were not presented for audit examination. In the circumstances, the propriety, accuracy and validity of the expenditure charged to the Appropriation Accounts could not be determined.

*Ministry's Response:* The Head of Budget Agency has indicated that the vouchers are now available.

*Recommendation:* The Audit Office recommends that the Ministry put system in place to ensure that all vouchers are available for audit examination. (2015/154)

341. The Ministry had not taken the necessary steps to ensure that cheque orders were carefully monitored and cleared within the sixteen days stipulated time-frame through the submission of bills, receipts and other supporting documents. For the period under review, there were five hundred and sixty-seven cheque orders totalling \$266.351M which remained outstanding. At the time of reporting in September 2016, one hundred and forty-one cheque orders valued at \$144.618M were still not cleared. In addition an examination of a sample of thirty cheque orders revealed that cheque orders were cleared on average of one hundred and eleven days later than the date required to be cleared.

*Ministry's Response:* The Head of Budget Agency has indicated that the cheque order register is being updated.

*Recommendation:* The Audit Office recommends that the Ministry adheres to Financial Regulations. (2015/155)

342. The Ministry was in violation of the Fiscal Management and Accountability Act (2003) as it relates to the paying over of unspent balances. Five cheques which were drawn from 2015 Appropriation Accounts with a face value of \$1.548M were not refunded to the Consolidated Fund as required and was therefore the basis of misstatement of expenditure in that year. It should be noted that failure to refund the cheques is in breach of Section 43 of the Fiscal Management and Accountability (FMA) Act. At the time of reporting in September 2016, the Accountant General had facilitated the updating of three cheques valued at \$1.472M; while, the other two valued \$75,000 had become stale dated. The table below gives details:

Date of Cheque	Cheque No	Amount \$'000
2/9/2015	05-659272	956
21/08/2015	05-655715	359
30/12/2015	05-712036	60
4/11/2015	05-682118	158
31/12/2015	05-714570	15
Total		1,548

*Ministry's Response:* The Head of Budget Agency has indicated that the cheques in question were returned to the Accountant General's Department to be updated.

*Recommendation:* The Audit Office recommends that the Ministry adhere to the Fiscal Management and Accountability (FMA) Act. (2015/156)

#### Tender Board Minutes

343. During the period under review the Ministry did not keep Minutes of the Tender Board meetings at which contracts were awarded. Hence, the basis of award of contracts could not be determined.

*Ministry's Response:* The Head of Budget Agency has indicated that corrective action has been taken.

*Recommendation:* The Audit Office recommends that the Ministry adhere to the requirements of the Procurement Act 2003. (2015/157)

### Special Investigation

344. On 27 December 2012, Cabinet granted its no objection for the construction of Kato Secondary School Complex in the sum of \$728.165M, and NPTAB awarded a contract to the lowest of four bidders. The contract was signed on 31 December 2012 with commencement date stated as 21 January 2013, with duration of two years and with a defects liability period being one year after completion.

345. Based on an examination of documentation presented, the contractor was granted three extensions, resulting in a revised contract completion date of 30 September 2015. In addition, a letter dated 30 July 2015, was sent by the Consultant, instructing the contractor to complete all outstanding and corrective works on or before 21 August 2015. On the 31 December 2015, the Finance Secretary granted approval for a multi-year contract. As at 31 December 2015, the total amount paid on the contract to the contractor was \$661.312M. At the time of reporting, the Performance Bond had expired and physical verification of the works was ongoing.

### AGENCIES

13 - MINISTRY OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT

45 - MINISTRY OF HOUSING AND WATER

42 - MINISTRY OF COMMUNITIES

346. The Ministry of Local Government and Regional Development and the Ministry of Housing and Water have been merged with effect from 1 September 2015 to form a new Ministry named, Ministry of Communities.

### Ministry of Local Government and Regional Development

#### Prior year matters, which have not been resolved

#### Capital Expenditure

347. In relation to the construction of the Plaisance Market Tarmac with asphaltic concrete surface along with shoulders and reinforced concrete kerb, a physical verification of the works was carried out on 27 August 2012, and based on the measurements taken on site and calculations; overpayments totalling \$1.234M were discovered. This issue remained unresolved at the time of reporting in July 2015.

*Ministry's Response:* The Head of Budget Agency explained that legal notice was sent to the contractor on 3 June 2016, as advised by the Public Accounts Committee. This issue remains unresolved as at July, 2015 since the Ministry is still awaiting confirmation of letter dated 5 July 2016 from the Audit Office.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency take necessary action to bring closure to this matter. (2015/158)

Ministry of Housing and Water

Prior year matter, which has not been resolved

Capital Expenditure

348. The sum of \$400M was released to two statutory entities under the control of the Ministry and the entities are subject to separate financial reporting and audit. The table below summarises the status of audits and details on the progress of outstanding audits.

Name of Entity	Amount Received in 2015 G\$'000	Year Last Audited	Last Report Laid in National Assembly	Remarks on Financial Statements
Guyana Water Incorporated (GWI)	250,000	2014	2013	Audited Report for the year 2014 to be laid. 2015 audit in progress
Central Housing and Planning Authority (CH&PA)	150,000	2014	2013	Audited Report for the year 2014 to be laid. 2015 audit in progress

*Ministry's Response:* The Head of Budget Agency has concurred with the audit findings.

*Recommendation:* The Audit Office recommends that the Ministry ensures that the outstanding audited reports are laid in the National Assembly. (2015/159)

Current year matters, with recommendations for improvement in the existing system

Capital Expenditure

Infrastructural Development and Building

349. The sum of \$1.105 billion was allocated for the payment for roads, drains and structures and pure water distribution network in areas such as Charity, Onderneeming, Lust-en-Rust, Anna Catherina, Leonora, Parfaite Harmonie, Meten Meer Zorg, Tuschen, Uitvlugt, Windsor Forest, Zeeburg/ De Willem, Zeelugt, Providence, Farm, Prosperity/Barnwell, Diamond, Eccles, Enmore, Good Hope, Grove, Mon Repos, Sophia, Vryheid's Lust, Bath, Hope, Adelphi, Bloomfield, Cumberland and №.76 and №.77 Villages. As at 31 December 2015, payments were verified as follows:

- amounts totalling \$1.024 billion were paid to Central Housing and Planning Authority (CH&PA) as reimbursement for the construction of roads and drains; and
- the sum of \$81M was paid to six contractors through the Ministry of Housing and Water for construction of roads.

*Ministry's Response:* The Head of Budget Agency explained that the sum of \$1.105 billion under Infrastructure Development and Building was allocated to CH&PA and expended during 2015. The CH&PA statutory audit is currently in progress.

Low Income Settlement Programme II

350. The sum of \$261.191M was allocated for (i) development of new sites with services, consolidation of existing housing schemes and upgrading of squatter areas; (ii) implementation of pilot projects to address issues of affordability and sustainability in housing; and (iii) strengthening of Central Housing and Planning Authority. Amounts totalling \$261.170M were expended as at 31 December 2015. This project is funded by the Inter-American Development Bank (IDB) and is subject to separate financial reporting and audit.

*Ministry's Response:* The Head of the Budget Agency explained that the Low Income Settlement Programme II (LIS '2') that was funded by the IDB was completed on 30 June 2015. The amount of \$261.170M was expended under this programme and the audit work was also completed.

### Georgetown Sanitation Improvement Programme

351. The sum of \$19.968M was allocated for the Georgetown Sanitation Improvement Programme which entails (i) the rehabilitation of sewer systems; (ii) distribution of drugs to reduce prevalence of water related diseases; (iii) procurement of energy efficient equipment; and (iv) institutional strengthening. The full sum was expended as at 31 December 2015. This project is funded by the IDB and is subject to separate financial reporting and audit. An examination of the Integrated Financial Management Accounting System (IFMAS) report revealed that the amount of \$19.968M was recorded by means of two dummy transactions for \$1.080M and \$18.888M.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry concurred with this statement. This project was funded by the IDB and is subject to separate financial reporting and audit.

### Water Supply Rehabilitation – Linden

352. The sum of \$457.769M was allocated for (i) the construction of treatment plants including ground and elevated storages at Wisroc and Amelia's Ward; (ii) laying of distribution/transmission networks; (iii) institutional strengthening of GWI; (iv) water quality monitoring; and (v) non-revenue water programme. Amounts totalling \$457.768M were expended as at 31 December 2015. This project is funded by the IDB and is subject to separate financial reporting and audit. An examination of the IFMAS report revealed that the amount of \$457.768M was recorded by means of three dummy transactions for \$148.219M, \$269.600M and \$39.949M.

*Ministry's Response:* The Head of the Budget Agency explained that this project was funded by the IDB and is subject to separate financial reporting and audit.

### Water Supply and Infrastructure Improvement Programme

353. The sum of \$3.282M was provided for the Water Supply and Infrastructure Improvement Programme for (i) the construction of water treatment plants for Cornelia Ida to De Kinderen, Diamond to Herstelling and Cumberland to Williamsburg; (ii) installation of distribution and transmission networks; (iii) upgrading of sanitation infrastructure; and (iv) institutional strengthening. Amounts totalling \$3.281M were expended as at 31 December 2015. This project is funded by the IDB and the European Union (EU) and is subject to separate financial reporting and audit. An examination of the IFMAS report revealed that the amount of \$3.282M was recorded by means of two dummy transactions for \$1.641M each.

*Ministry's Response:* The Head of Budget Agency explained that this project was funded by the IDB and is subject to separate financial reporting and audit.

Ministry of Communities

Current year matters, with recommendations for improvement in the existing system

Capital Expenditure

Project Development and Assistance – 1902900

354. The sum of \$359M was allocated and expended as Capital subventions for Municipalities and sixty-five Neighbourhood Democratic Councils (NDCs) to enhance the environment and improved community services.

355. The Municipal and District Councils Act, Chapter 28:01 of the Laws of Guyana, requires all accounts of Municipal and District Councils be made up yearly to the end of the financial year by the Treasurer of the Council and shall be so made up not later than four months after the end of such year to which they relate and for those accounts to be audited by the Auditor as soon as practicable. Despite this legal requirement, a number of the Municipal and District Councils were still in violation of Section 177 of the Municipal and District Councils Act Chapter 28:01. Shown below is the status of audits in respect of the six Municipalities at the time of reporting:

Municipalities	Year Last Audited	Remarks
Georgetown City Council	2004	Financial Statements on hand for 2005 & 2014. No Financial Statements submitted for 2006-2013 & 2015
Linden Town Council	1984	Audit for the years 2008-2010 completed and Opinion to be issued. No Financial Statements submitted for 1985 –2007, 2014 & 2015
New Amsterdam Town Council	1996	Audit Opinions to be issued for the years 2006 - 2011. Financial Statements on hand for 2014. No Financial Statement submitted for 1997-2005 , 2012-2013 and 2015
Rose Hall Town Council	1998	Financial Statements on hand for 1999 - 2014, Audits to be planned.
Corriverton Town Council	2001	Financial Statements on hand for 2002 - 2014, Audits to be planned.
Anna Regina Town Council	2010	Financial Statements on hand for 2014. No Financial Statements submitted for 2011-2013 and 2015

*Ministry's Response:* The Head of the Budget Agency wishes to note that according to the Municipal and District Councils Act, Chapter 28:01 of the Laws of Guyana, Section 176 (notification of date of audit) and Section 180 (Financial Statement), the responsibility of submitting Financial Statements for the Councils lies solely with the Treasurer of the Councils.

*Recommendation:* The Audit Office recommends that the Ministry make every effort to have all outstanding Financial Statements prepared and submitted for audit. (2015/160)

Solid Waste Disposal Programme – 3600300

356. The amount of \$267.922M was allocated for (i) institutional strengthening and capacity building; (ii) public awareness and community participation; (iii) construction and operation of Haags Bosch Sanitary Landfill; (iv) waste collection and disposal from NDCs; (v) treatment and disposal of health care and hazardous waste; and (vi) provision for Lusignan site. During the year, amounts totalling \$178.274M were expended under this account area to improve sanitation. This project was funded by IDB and is subject to separate financial reporting and audit. According to the Appropriation Account, amounts totalling \$178.274M was expended as at 31 December 2015. An examination of the IFMAS report revealed that the sum of \$100M was paid to Mayor and City Council (M&CC) of Georgetown for the fire fighting activities and temporary storage of waste at Haags Bosch Sanitary Landfill, restoration of Le Repentir Access road and Lusignan Access road and Landfill. At the time of reporting in September 2016, amounts totalling \$32.550M was expended.

*Ministry's Response:* The Head of Budget Agency has concurred with the audit findings.

Community Infrastructure Improvement Project – 1302200

357. The sum of \$431.502M was allotted and expended under this account area for (i) the construction and rehabilitation of community roads in Regions No. 3 to 7, and 10; (ii) rehabilitation and maintenance of community infrastructure projects, including drains, bridges and parapets; and (iii) green spaces in Bartica and other selected areas. The Community Infrastructure Improvement Project (CIIP) was set up during August 2014, and has a separate bank account № 0163600313003 which is held at the Bank of Guyana. At the time of reporting the audit of the project for 2015 was in progress.

*Ministry's Response:* The Head of the Budget Agency has concurred with the audit findings.

*Recommendation:* The Audit Office recommends that the Ministry submit the relevant documents in a timely manner for the audit to be completed. (2015/161)

Community Roads Improvement Project – 1405300

358. The sum of \$206.751M was allocated for (i) completion, construction and rehabilitation of community roads (ii) project administration; and (iii) institutional strengthening and capacity building in order to improve access and living conditions. According to the Appropriation account, amounts totalling \$157.358M was expended. This Project is funded by the Caribbean Development Bank (CDB) and is subject to separate financial reporting and audit. At the time of reporting the audit was in progress for the years 2013 to 2015.

*Ministry's Response:* The Head of the Budget Agency explained that this project is funded by the CDB and is subject to separate financial reporting and audit.



### Infrastructural Development and Building – 1903100

359. The sum of \$499.121M was allocated and expended for the completion of roads, drains structures and pure water distribution network in areas such as Lust-en-Rust, Zeelugt, Zeeburg, Providence, Farm, Prosperity, Diamond, Eccles, Enmore, Grove, Non Pariel, Sophia, Experiment, Cumberland and No.76 and No.77 Villages to improve infrastructural facilities and living conditions. The full sum of \$499.121M was expended by the Central Housing and Planning Authority (CH&PA) by means of nine payments for the reimbursement for construction of roads.

*Ministry's Response:* The Head of the Budget Agency explained that the Ministry concurred with this statement.

### Sustainable Livelihood and Entrepreneurial Development (SLED) Projects – 1903200

360. The sum of \$115M were allocated for (i) increase job opportunities and employment; (ii) improve access to training; (iii) enhance skills and competency levels; and (iv) enhance social and cultural cohesion. For the period under review, the Ministry entered into Memorandum of Understanding (MOU) with the seven communities short listed for community driven projects under the Sustainable Livelihoods and Entrepreneurial Development and were to submit monthly financial returns as stated in Article 6 (iv) of the MOU. According to the Appropriation account, amounts totalling \$74.306M was expended as at 31 December 2015. Audit examination revealed that monthly financial returns were not submitted for the year 2015. Details are as follows:

- the Ministry released \$20M to Guyana Swine Producers Co-operative Society Limited for the purpose of pig rearing and pork production. The project includes training, capacity building and best practice adoption in Regions No. 2 to 6 & 10;
- amounts totalling \$6.964M were received by Guyana Mangrove Reserve Producers Co-op Society from the Ministry for beekeeping, farming, tourism at the Guyana Women's Leadership Institute, Cove and John ECD;
- amounts totalling \$13.500M were received by United Natural Resources and Agriculture Producers (UNRAP) from the Ministry for sheep and goat rearing, producing added value products (milk, cheese) at Mackenzie, Linden;
- amounts totalling \$2.955M were received by Women for Change from the Ministry for the expansion of existing production and bottling pepper and seasoning at Bel-Air Naarstigheid Area;
- amounts totalling \$4.968M were received by Plaisance Sparendaam Goedverwagting Development Association from the Ministry to carry out computer repairs programme, training and capacity building;

- amounts totalling \$5.918M were received by For Children’s Sake Foundation from the Ministry for Information and Technology, Community Building, IT training and capacity building Economic Development; and
- amounts totalling \$20M were received by Education Development Center Inc. from the Ministry during the period under review for the training of disadvantaged youths in areas of poultry rearing, food catering, cosmetology, internet cafes, linking youths to established business mentors who would give guidance in specific areas of business.

*Ministry’s Response:* The Head of Budget Agency explained that the Ministry concurred and all efforts are being made to remedy this situation as soon as possible.

*Recommendation:* The Audit Office recommends that the Ministry submit all relevant documents in order for the above-mentioned projects to be audited. (2015/162)

*Georgetown Restoration Programme – 1903300*

361. The sum of \$300M was allotted for Georgetown restoration initiatives for environmental improvement and improved health and well-being. According to the Appropriation Account, the full amount was expended as at 31 December 2015. Audit examination revealed that \$6.200M was expended for the purchase of a double cab pick-up for the City Police, \$52.163M for the de-bushing of the Le Repentir Cemetery and \$241.637M for the restoration of Georgetown. Two hundred and twelve payment vouchers examined and the following discrepancies were observed:

- there were 167 instances totalling \$159.968M where there was no evidence of the payment vouchers being certified by the Accountant or any other authorized officer;
- approval by the City Treasurer was not seen on 140 payment vouchers totalling \$143.682M;
- there was no evidence of the Finance Committee approving fifty-eight payments totalling \$48.404M on 58 instances;
- there was no evidence of receipt or payee acknowledgement for a payment of \$750,000 to a contractor via cheque number 164407587; and
- the basis of award of several contracts for the weeding of parapet, desilting of drains and cutting down of trees in various areas around Georgetown could not be determined due to the unavailability of the relevant supporting documents. As a result, it could not be ascertained whether proper transparency and accountability was exercised in the awarding of the contracts.

*Ministry’s Response:* The Head of Budget Agency has concurred with the audit findings.

*Recommendation:* The Audit Office of Guyana recommends that there is adherence to the financial instructions and Regulations, as well as Tender Procedures set out in the Procurement Act 2003. (2015/163)

### Water Supply – 2802100

362. For the year under review, \$130M was allotted for the upgrading of water supply systems in Mabaruma, Port Kaituma, Princeville, Campbelltown, Koko and Mahdia in order to improve potable water supply. According to the Appropriation Account, amounts totalling \$91.480M were expended as at 31 December 2015.

*Ministry's Response:* The Head of Budget Agency acknowledged that the sum of \$91.480M was expended under this programme and the under expenditure was due to award of contract late in 2015, as such, these projects were rolled over to be completed in 2016. These include upgrade to water supply systems in Port Kaituma, Princeville, Campbelltown, Koko and Mabaruma. The Port Kaituma project provides for the replacement of deteriorated mains, installation of new mains and activation of a new well to provide service to more than 500 persons, while the projects for Princeville, Campbelltown, Koko and Mabaruma provides for the drilling of new wells, installation of mains and service connections for these communities. These projects are currently under implementation to be completed in 2016.

### Coastal Water Supply – 2802200

363. The sum of \$422M was allocated for (i) completion of wells at Goed Fortuin, Hope and Cotton Tree; (ii) provision for well at Port Mourant and water treatment plant at Eccles; (iii) provision for well, installation of solar system and distribution main at Ridge, Wakenaam; (iv) installation of water supply system at Hillfoot, Timehri; (v) extension of transmission and distribution mains at Dutch Cab, Hope, Esau/ Jacob, Stanleytown, Williamsburg, Nigg, Kildonan and № 59, 66 - 69 Villages; (vi) rehabilitation of water treatment plants at Timehri and New Amsterdam; and (vii) procurement of service connection materials. This project was undertaken by the Ministry to improve efficiency of water supply, health and well-being. According to the Appropriation Account, amounts totalling \$250.506M was expended as at 31 December 2015.

*Ministry's Response:* The Head of Budget Agency acknowledged that the sum of \$250.506M was expended under this programme. Some projects were awarded very late in 2015 and were rolled over to be completed in 2016 including completion of wells at Port Mourant, Cotton Tree and Hope. Other projects that have become multi-year contracts are provision for well, installation of solar system and distribution main at Ridge, Wakenaam, installation of water supply system at Hillfoot, extension of transmission and distribution mains at Dutch Cab, Hope, Esau/ Jacob, No 66-69 villages and procurement of service connection materials. These projects are presently being completed in 2016.

### Linden Water Supply – 2802300

364. The sum of \$65M was allotted for the (i) provision for interconnection of Amelia's Ward and Wisroc water treatment plants; (ii) upgrading of service connection and metering; and (iii) provision for main. Amounts totalling \$32.957M were expended for the year under review.

*Ministry's Response:* The Head of the Budget Agency acknowledged that the sum of \$32.957M was expended under this programme. The award of these contracts was made in the latter part of 2015. However, advances and initial payments have been made under this programme and due to the late award of contracts; these projects are to be completed in 2016.

*Georgetown Sanitation Improvement Programme – 2802400*

365. The sum of \$228.032M was allocated for the (i) rehabilitation of sewer system; (ii) distribution of drugs to reduce prevalence of water related diseases; (iii) procurement of energy efficient equipment; and (iv) institutional strengthening. Amounts totalling \$100.349M were expended during 2015 on the programme. The Ministry undertook this project to improve the sewer system, health and well-being and the capacity of GWI. This project was funded by the IDB and is subject to separate financial reporting and audit.

*Ministry's Response:* The Head of Budget Agency acknowledged that the sum of \$100.349M was expended under this programme. The main activities were completed and resulted in a saving under the programme, which was proposed for use for institutional strengthening activities and a programme to assist in the fight against the Zika virus to be undertaken jointly with Ministry of Public Health. The institutional strengthening activities have been completed and the programme to assist in the fight against the Zika virus is presently ongoing and scheduled for completion in December 2016.

*Water Supply Rehabilitation Linden – 2802500*

366. The sum of \$68.831M was allocated for (i) construction of treatment plants including ground and elevated storages at Wisroc and Amelia's Ward; (ii) laying of distribution/transmission networks; (iii) institutional strengthening of GWI; (iv) water quality monitoring; and (v) non-revenue water Programme. According to the Appropriation Account, \$48.666M was expended as at 31 December 2015. This project is funded by the IDB and is subject to separate financial reporting and audit.

*Ministry's Response:* The Head of Budget Agency acknowledged that the sum of \$48.666M was expended under this programme. The main activities under this programme were substantially completed and were in the defects liability period for this year. It should be noted that some deficiencies were observed in this programme relating to the design of the infrastructures including the filters and GWI is undertaking remedial works to address these deficiencies in 2016.

*Urban Sewerage and Water – 2802600*

367. Amounts totalling \$236.867M was allotted for Urban Sewerage and Water for the year under review. Audit examination revealed that amounts totalling \$102.656M were expended to make provision for (i) well and storage tank at Sophia; (ii) replacement of transmission mains in Duncan Street, Turkeyen, Pattensen and Liliendaal; and (iii) replacement of distribution mains in Princess Street, Sophia and Lamaha Park.

*Ministry's Response:* The Head of Budget Agency acknowledged that the sum of \$102.656M was expended under this programme. The contracts were awarded in the latter part of 2015, resulting in the rolling over of contracts in 2016, including construction of new well and storage tank at Sophia, replacement of transmission main on Duncan Street, Turkeyen, Patterson and Liliendaal, replacement of distribution mains on Princess street, Sophia and Lamaha Park. These projects are being completed in 2016.

Water Supply and Infrastructure Improvement Programme – 2802700

368. The sum of \$949.718M was allotted for Water Supply and Infrastructure Improvement Programme for the (i) construction of water treatment plants for Corneila Ida to De Kinderen, Diamond to Herstelling and Cumberland to Williamsburg; (ii) installation of distribution and transmission networks; (iii) upgrading of sanitation infrastructure; and (iv) institutional strengthening. This project was initiated to improve water supply quality, institutional capacity and service delivery and reduce the level of non-revenue water. According to the Appropriation Account, amounts totalling \$135.509M was expended as at 31 December 2015. It was funded by IDB and the European Union (EU) and is subject to separate financial reporting and audit.

*Ministry's Response:* The Head of Budget Agency acknowledged that the sum of \$135.509M was expended under this programme which continues to be implemented in 2016.

AGENCIES

47 – MINISTRY OF HEALTH

**43 - MINISTRY OF PUBLIC HEALTH**

369. The Ministry of Public Health is a new Agency which replaces the Ministry of Health. As such, the Ministry of Public Health was budgeted for as Agency 47 for the period January to August, 2015 and then as Agency 43 for the period September to December, 2015. In addition, the Ministry of Public Health with effect from September, 2015 commenced providing a subvention under chart of accounts 6321- Subsidies and Contributions to Local Organisations, to the Georgetown Public Hospital Corporation (GPHC).

Prior year matters, which have not been resolved

Current Expenditure

370. The sum of \$164,053 and \$173,154 for salaries and deductions overpaid respectively in relation to amounts outstanding for the year 2014. However, the sum of \$2.655M still remained outstanding for the years, 2011- 2012 and 2014. Further, overpayments totalling \$1.047M were also made for twenty employees in respect of the year 2015 bring the total overpayment outstanding to \$3.702M as at 31 December 2015. The overpayments were as a result, of pay change directives for dismissals and resignations being forwarded late to the Central Accounting Unit of the Ministry. The table below shows the amounts overpaid for the respective years.

Year	Net Salaries Overpaid (A) \$	Deductions Overpaid (B) \$	Total Net Salaries and Deductions Overpaid (C) \$	Total Net Salaries and Deductions Recovered (D) \$	Gross Salaries O/standing (E)=(C-D) \$
2011	757,371	345,867	1,103,238	0	1,103,238
2012	205,299	74,169	279,468	0	279,468
2014	1,193,451	416,423	1,609,874	337,207	1,272,667
2015	908,639	138,434	1,047,073	0	1,047,073
Total	3,064,760	974,893	4,039,653	337,207	3,702,446

*Ministry's Response:* The Head of Budget Agency explained that the total sum overpaid as stated in the report for 2011 and 2012, please note that these employees cannot be located at their listed addresses and some have closed their bank accounts or the funds in the accounts are inadequate to offset the amount. To date, the total sum refunded amounted to \$337,207 for year 2014. Therefore, the outstanding overpayment for 2014 has been reduced to \$1,272,667.

*Recommendation:* The Audit Office recommends that the Ministry renew its efforts to have all outstanding overpayments recovered and put systems in place to prevent recurrences. (2015/164)

371. A total of six suppliers failed to deliver drugs and medical supplies totalling \$114.002M, for the year 2012, while the New Guyana Pharmaceutical Corporation (GPC) was still to deliver drugs and medical supplies valued at \$11.863M for the year 2011. As it relates to the sum of \$114.002M, amounts totalling \$98.750M were delivered during 2015 and up to 10 September 2016, resulting in an outstanding balance of \$15.252M yet to be delivered by the suppliers at the time of reporting, as shown below:

Supplier	Contract Sum \$'000	Delivered as at 30/09/2015 \$'000	Outstanding as at 30/09/2015 \$'000	Deliveries as at 10/09/2016 \$'000	Outstanding as at 10/09/2016 \$'000
Productos Roche	105,285	32,929	72,356	67,002	5,354
Caribbean Medical Supplies	30,038	8,860	21,178	18,591	2,587
Trans Continental Ltd	24,577	7,177	17,400	13,157	4,243
Henry Schien Inc.	2,218	0	2,218	0	2,218
PAHO	468	0	468	0	468
SHIMADZU	382	0	382	0	382
Total	162,968	48,966	114,002	98,750	15,252

*Ministry's Response:* The Head of Budget Agency explained that reconciliations are being done.

*Recommendation:* The Audit Office recommends that the Ministry engage the suppliers as a matter of urgency to have the outstanding drugs delivered. (2015/165)

372. In 2013, amounts totalling \$435.344M were paid to twenty-one local and overseas suppliers for the delivery of drugs and medical supplies. As at 10 September 2015, goods valued at \$257.972M were delivered on the contracts. During 2015 and 2016, additional goods valued at \$6.876M were delivered, bringing the total goods delivered to \$264.848M as at 10 September 2016. The outstanding goods valued at \$75.453M was due to eight suppliers not fully honouring their obligations. The outstanding goods are exclusive of handling charges, which totalled \$6.556M as shown below:

Supplier	Payments (A) \$'000	Handling Charges (B) \$'000	Cost of Drugs (C)=(A-B) \$'000	Deliveries as at 10/09/2016 (D) \$'000	Outstanding as at 10/09/2016 (E)=(C-D) \$'000
International Pharm. Agency	42,702	0	42,702	12,795	29,907
Meditron Scientific Sales	23,115	97	23,018	1,467	21,551
PAHO	142,458	5,590	136,868	128,591	8,277
Bryden PI Ltd.	13,173	3	13,170	5,103	8,067
Caribbean Medical Supplies	72,683	864	71,819	68,444	3,375
Henry Schien	34,219	0	34,219	31,629	2,590
Patterson Medical	1,688	2	1,686	0	1,686
Eureka Laboratory	16,819	0	16,819	16,819	0
<b>Total</b>	<b>346,857</b>	<b>6,556</b>	<b>340,301</b>	<b>264,848</b>	<b>75,453</b>

*Ministry's Response:* The Head of Budget Agency explained that reconciliations are being done.

*Recommendation:* The Audit Office recommends that the Ministry continue to engage the suppliers as a matter of urgency to have the outstanding drugs delivered. (2015/166)

373. In 2013, the New GPC Inc. was awarded ten contracts valued at \$2.374 billion, of which freight charges totalled \$180.496M. As at September 2015, goods valued at \$136.637M were outstanding in relation to two contracts. Additionally, goods valued at \$91.640M were received since then, resulting in outstanding deliveries of \$44.997M still to be supplied as at 10 September 2016, as shown below.

Contract №	Payments \$'000	Deliveries as at 10/09/2016 \$'000	Outstanding as at 10/09/2016 \$'000
2/13	1,405,777	1,370,844	34,933
6/13	381,459	371,395	10,064
<b>Total</b>	<b>1,787,236</b>	<b>1,742,239</b>	<b>44,997</b>

*Ministry's Response:* The Head of Budget Agency explained that reconciliations are being done.

*Recommendation:* The Audit Office again recommends that the Ministry take immediate action to have contractors fulfil their contractual obligations under contracts awarded to them. (2015/167)

374. In 2014, the National Procurement and Tender Administration Board (NPTAB) approvals were seen for procurement of drugs and medical supplies in relation to suppliers other than the New GPC Inc. In this regard, payments totalling \$975.591M were made to twenty-nine local and overseas suppliers. As at 10 September 2015, obligations under thirteen suppliers were not fully satisfied in that goods valued at \$84.696M, still remained outstanding. At the time of reporting in September 2016, deliveries valued at \$58.561M were received by the Ministry, leaving a balance of \$26.133M still outstanding, as shown below. It should be noted that this amount is exclusive of handling charges.

Supplier	Cost of Drugs (A) \$'000	Handling Charges (B) \$'000	Payments (C)=(A-B) \$'000	Deliveries as at Sept,2016 (D) \$'000	Outstanding as at Sept, 2016 (E)=(A-D) \$'000
PAHO	132,629	26,270	158,899	130,888	1,741
CKC International Commodities	23,920	141	24,061	16,876	7,044
Caribbean Medical Supplies Inc.	400,170	2,517	402,687	394,142	6,028
Supply Chain Man. Systems	12,880	6,387	19,267	12,880	0
Patterson Medical	4,265	462	4,727	0	4,265
Trans Continental Med. Pro. Inc.	56,222	0	56,222	52,032	4,190
Ansa McAl Trading Ltd.	9,065	0	9,065	8,700	365
Biomed Energy Ent.	45,621	2,995	48,616	45,599	22
Diamed Caribbean Inc.	9,242	397	9,639	7,892	1,350
One World Accuracy Inc.	1,052	685	1,737	0	1,052
International Pharmaceutical Agency	14,088	0	14,088	14,088	0
Global Health Care Supplies Inc.	17,468	0	17,468	17,423	45
Meditron Scientific Sales	333	0	333	302	31
Total	726,955	39,854	766,809	700,822	26,133

*Ministry's Response:* The Head of Budget Agency explained that reconciliations are being done.

*Recommendation:* The Audit Office recommends that the Ministry continue to engage the suppliers as a matter of urgency to have the outstanding drugs delivered. (2015/168)

375. The Ministry was still to provide "Delivery Notes" and/or "Stores Received Notes" to evidence the receipt of goods valued at \$112.642M for the years 2012 and 2013. During 2015, fourteen payment vouchers totalling \$101.984M in respect of 2013 were subsequently cleared. As at September 2016 the Ministry was still to provide supporting documentation to substantiate one payment totalling \$6.340M and four payments totalling \$4.318M for the years 2012 and 2013, respectively.

*Ministry's Response:* The Head of Budget Agency explained that the outstanding Delivery Notes and Stores Received Notes in respect of the years 2012 and 2013 have been reduced to \$6.340M and \$4.318M, respectively.

*Recommendation:* The Audit Office again recommends that the Ministry put systems in place to ensure that there is adequate accountability for payment vouchers and supporting documents, and that these should be provided in a timely manner. (2015/169)



376. There was a breach of the provisions of Section 43 of the Fiscal Management and Accountability Act (2003) where the Ministry failed to refund to the Consolidated Fund five cheques valued at \$2.607M for 2013 and six hundred and fifty cheques valued at \$829.807M for the year 2014. As at June 2015, six hundred and five cheques valued at \$798.616M were paid out to various payees, leaving forty-five cheques valued at \$31.191M still on hand in relation to 2014. During 2015 and 2016, thirty-four cheques valued at \$3.853M were refunded, while ten cheques valued at \$27.214M were paid to payees in respect of 2014. At the time of reporting five cheques valued at \$2.607M and one valued at \$123,485 for the years 2013 and 2014, respectively were still on hand.

377. Further, this situation continued in 2015 with nine hundred and thirty-three cheques valued at \$1.035 billion not refunded to the Consolidated Fund as at 31 December 2015. At the time of reporting, the Ministry had paid eight hundred and twenty-four cheques valued at \$879.710M to various payees and twenty-two cheques valued at \$2.314M were refunded to the Consolidated Fund. The Ministry had eighty-seven stale dated cheques valued at \$153.299M still on hand. As a result, the Appropriation Accounts would have been overstated by the said amounts.

*Ministry's Response:* The Head of Budget Agency explained that seven cheques were on hand for the years 2012, 2013 and 2014 and eighty-seven cheques for the year 2015.

*Recommendation:* The Audit Office again recommends that the Ministry institute measures to ensure full compliance with Section 43 of the FMA Act which requires unexpended balances to be returned and surrendered to the Consolidated Fund at the end of each fiscal year. (2015/170)

378. The Ministry did not adhere fully to Section 24 of the Stores Regulations 1993 in that the Ministry failed to maintain an updated master inventory of all assets of the Ministry. In addition, sectional inventories were not properly maintained for all departments and/or sections within the Ministry, since pertinent information such as location, date of acquisition etc. were not reflected therein. As a result, we were unable to accurately verify the existence of the assets.

*Ministry's Response:* The Head of Budget Agency explained that there is a Master Inventory which is being updated in respect of acquisitions and disposals as they occur. The Ministry is still in the process of having the Master Inventory updated.

*Recommendation:* The Audit Office recommends that the Ministry compile as soon as possible the master inventory in order to properly account for all assets of the Ministry. (2015/171)

379. During 2015, verification exercises conducted at New GPC Inc. Ruimveldt Offsite Bond revealed that according to the listing provided by Materials Management Unit (MMU), Diamond Warehouse, one hundred and sixty-four items of drugs and medical supplies consisting of a total quantity of 11,575,165 units procured from the New GPC Inc. were being stored at GPC Inc. Ruimveldt Offsite until they are requested by MMU, Diamond. A follow-up of this matter in August 2016 revealed that 3,811,049 units were traced to the listing of expired drugs and medical supplies and movement sheets presented, however, the certificates of destruction were not presented for audit examination. The difference of 7,764,116 units could not be traced to the records as having been moved from GPC Inc. Ruimveldt Offsite to MMU, Diamond. As a result, it could not be determined if the items were received and properly accounted for in the records at MMU Diamond Warehouse.

*Ministry's Response:* The Head of Budget Agency explained that reconciliation is being done to identify the difference.

*Recommendation:* The Audit Office recommends that the Ministry locate and present all relevant documentation to the Audit Office for audit scrutiny. (2015/172)

#### Capital Expenditure

380. The contract for the construction of an Acute Care Psychiatric Hospital in Region № 6 was awarded in 2011 to the lowest responsive bidder in the sum of \$112.739M. At the end of 2012, the contractor was paid sums amounting to \$91.923M, of which \$15.722M were for unexecuted works. Physical verification of the works on 4 September 2013 revealed that the works appeared to have been abandoned for a prolonged period of time, no personnel or equipment from the contractor was on site, which was also overgrown with vegetation. Termite nests were also noted on various areas of the building. At the time of reporting in June 2014, there was no evidence that the works were completed and the amount of \$15.722M in respect of unexecuted works were recovered from the contractor.

381. Further, a revisit was done on 29 January 2016 to the above project and based on the examination of the works, the items identified as overpayments remained.

*Ministry's Response:* It was explained by the Head of Budget Agency that:

- (a) the contract was extended to 28 February 2014 for unfinished works to be completed; and
- (b) works to be completed at the Acute Care Psychiatric Hospital are as follows: installation of the light fixtures and connection to the source of power and the cover to the roof of the shed over the main entrance amounting to roughly \$3.88M. All unfinished works were completed before the end of 2014.

*Recommendation:* The Audit Office recommends that the Ministry follow-up the matter with the relevant authority in order to bring closure. (2015/173)

382. The Ministry expended the sum of \$200M in 2012 to acquire cardiac cauterisation laboratory materials, which was not received up to the time of reporting in 2013. Physical verification of the equipment and components were conducted in 2015 at the GPHC and at the time the equipment was not in operation. Follow-up verification of the equipment in April 2016 revealed that it was not fully operational.

*Ministry's Response:* The Head of Budget Agency explained that the former High Dependency Unit (HDU) was converted to house the cardiac cauterisation machine. The machine was received and is at the GPHC.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that the machine is fully operational. (2015/174)

383. A physical verification of the works at Doctor's Quarters at Block 'A' Richmond Hall, Linden in August 2015, revealed that amounts totalling \$1.781M were overpaid to the contractor. At the time of reporting in September 2016, a revisit of this project was not facilitated by the Ministry. As a result, the overpayment still remained.

*Ministry's Response:* The Head of Budget Agency has indicated that the valuation from which the comparison was made is an interim valuation and was corrected in the final valuation.

*Recommendation:* The Audit Office recommends that the Ministry revisit this project to determine the status of the overpayment. (2015/175)

#### Current year matters, with recommendations for improvement in the existing system

##### Current Expenditure

###### Employment Cost

384. The Ministry of Finance urged that cash payments of salaries be minimised after the introduction of the Integrated Financial Management and Accounting System (IFMAS) in 2004, and that employees be paid under the bank deposit system as stipulated by Circular No 3/2003 dated 29 September 2003. The Ministry had not fully complied with this instruction, as it relates to cash payments. An examination of the payroll revealed cash payments amounting to \$1.921M were made to seventeen employees for the period under review.

*Ministry's Response:* The Head of Budget Agency explained that efforts are being made to have the employees be paid through the bank.

*Recommendation:* The Audit Office recommends that the Ministry comply with the requirements of the Circular. (2015/176)

385. An examination of the December 2015 payroll revealed that there were one hundred and forty-eight employees who were without Taxpayer Identification Numbers (TIN). This situation may have implications when filing tax returns.

*Ministry's Response:* The Head of Budget Agency explained that we are still in the process of communicating with our employees to provide this information to us.

*Recommendation:* The Audit Office recommends that the Ministry ensures that all employees are in possession of TIN numbers. (2015/177)

386. A total of five hundred and seventeen personal files were requested for the period under review. These consisted of fifty-eight for leavers, four hundred and two for joiners, eleven for no-pay leave and forty-six for maternity leave. However, one hundred and one files were not presented for audit examination for the period under review. As a result, it could not be determined if all relevant documentations were obtained from the employees. In addition, the accuracy of the pay changes made could not be ascertained.

*Ministry's Response:* The Head of Budget Agency explained that the Personnel Department will make every effort to locate the remaining files requested by the Audit Office.

*Recommendation:* The Audit Office recommends that the Ministry locate these personal files and have them presented for audit scrutiny. (2015/178)

Drugs and Medical Supplies

387. The sum of \$2.582 billion was expended for drugs and medical supplies for the period under review. The NPTAB approvals were seen for the procurement of drugs and medical supplies in relation to suppliers other than the New GPC Inc. In this regards, payments totalling \$703.504M were made to fourteen local and overseas suppliers. At the time of reporting, six suppliers with payments totalling \$543.841M did not fully honour their obligations, in that goods valued at \$208.745M, inclusive of handling charges, still remained outstanding as at 10 September 2016, as shown in the table below:

Supplier	Payments \$'000	Deliveries as at 10/09/2016 \$'000	Outstanding Deliveries as at 10/09/2016 \$'000
Caribbean Medical Supplies Inc.	290,623	211,571	79,052
Supply Chain Man. Systems	49,531	0	49,531
Western Scientific Co.	43,873	0	43,873
PAHO	157,581	123,525	34,056
One World Accuracy Inc.	1,887	0	1,887
Technology Transfer Marbury(TTM)	346	0	346
<b>Total</b>	<b>543,841</b>	<b>335,096</b>	<b>208,745</b>

*Ministry's Response:* The Head of Budget Agency explained that reconciliation of the drugs is ongoing.

*Recommendation:* The Audit Office recommends that the Ministry take immediate action to have contractors fulfil their contractual obligations under contracts awarded and to introduce a register to record all outstanding drugs and medical supplies to be delivered. (2015/179)

388. The sum of \$290.623M paid to Caribbean Medical Supplies Inc. for the period under review was in relation to six contracts that were supported by bank guarantees. However, the bank guarantees in relation to two of the contracts with an aggregate value of \$87.956M had expired at the time of reporting in September 2016, although goods valued at \$78.156M were still to be delivered, as shown in the table below. As a result of the expiration of the bank guarantees, the Ministry could no longer recover the sum of \$78.156M from the said bank guarantees.

Contract №	Contract Sum \$'000	Payments \$'000	Bank Guarantee				O/standing Deliveries \$'000
			Date	Reference No.	Amount \$'000	Validity Period	
10-2015 P6	70,483	70,483	13/11/2015	MB1862/2015	70,483	11/12/2015-31/3/2016	70,483
12-2015 P2	35,097	35,097	03/12/2015	MB1920/2016	17,473	15/1/2016-30/6/2016	7,673
Total	105,580	105,580			87,956		78,156

*Ministry's Response:* The Head of Budget Agency explained that suppliers are awaiting requests from the Ministry to supply the reagents which were staggered due to short expiration dates.

*Recommendation:* The Audit Office recommends that the Ministry ensures that the outstanding drugs and medical supplies are delivered by the suppliers and that the bank guarantees are renewed. (2015/180)

389. Five contracts valued at \$1.437 billion were awarded to New GPC Inc. for the supply of drugs and medical supplies. Included in this amount are freight charges totalling \$137.193M. One contract was supported by a bank guarantee in the sum of \$1.413 billion. The guarantee was required to be valid for twenty-eight days after the expiration of the contracts. There was no guarantee in force as at 10 September 2016, although the supplier was still to deliver goods valued at \$700,000.

*Ministry's Response:* The Head of Budget Agency explained that the outstanding amount of \$700,000 is yet to be supplied on the contract.

*Recommendation:* The Audit Office recommends that the Ministry take immediate steps to have suppliers honor their contractual obligations. (2015/181)

390. Six contracts valued at \$74.166M were awarded to three suppliers for the supply of drugs and medical supplies. Six payments to the total value of the contracts were processed and cheques printed in November and December, 2015. However, as at 31 December 2015, no drugs or medical supplies were delivered on these contracts. Also, the six cheques were still on hand at the time of the audit in September 2016.

Supplier	No of Cheques	Total \$'000
Caribbean Medical Supplies	4	73,174
New GPC Inc.	1	647
International Pharmaceutical Agency	1	345
Total	6	74,166

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is pursuing the supply of the outstanding drugs and medical supplies from the suppliers.

*Recommendation:* The Audit Office recommends that the Ministry take immediate steps to have suppliers honor their contractual obligations. (2015/182)

391. Examination of the payment vouchers, contracts, invoices, stores documents and other related records for drugs and medical supplies for the period audited revealed the following observations:

- a) the Ministry sought and was granted a waiver by NPTAB on 25 February 2015 to award a contract to New GPC Inc. in the sum of \$14.572M for drugs and medical supplies that were supplied during April to December 2014 to MMU, Kingston. However, it could not be determined who authorized the supply of the drugs and medical supplies. Further, documentation revealed that the drugs and medical supplies were purchased for Government Officials; however these officials identities were not stated. In addition, audit checks revealed that the receipt and issue of these drugs were not recorded in the records of MMU, Diamond. As a result, we could not determine the propriety, accuracy and validity of the amount expended. Details of the drugs and medical supplies purchased are summarized below:

Description	Quantity	Amount \$'000
Syringe 1cc (insulin)	6,320	6,276
Chlorophan Expectorant	12,003	3,229
One Touch Ultra	16,182	2,649
Infusion set with needle	20,000	1,220
Co-Diovan	466	287
Coreg	672	179
Blood Pressure Apparatus	103	142
Allegra	270	106
Miscellaneous drugs/medical supplies under \$100,000	1,821	484
Total	57,837	14,572

- b) an emergency request on 7 August 2015 for ten Cortez Insta RPR Latex test kit resulted in a contract being awarded on 18 November 2015 to the value of \$225,000 to Caribbean Medical Supplies. Payment was prepared on 9 December 2015; however, as at 9 September 2016, the cheque was still on hand and the items were yet to be procured;
- c) a contract valued at \$4.027M was awarded on the 16 February 2015 for supply of Fendona. However, the item were delivered and recorded into stores records on 6 February 2015, which is before the date of award of the contract; and
- d) an examination of the IFMAS statement for the period under review revealed that the expenditure of \$133,400 for the purchase of stain kits should have been reflected under line item 6321- Other; however, this amount was incorrectly reflected under line item 6221- Drugs and Medical Supplies. As a result, the expenditure under this line item would have been overstated by the said amount.

*Ministry's Response:* It was explained by the Head of Budget Agency that (a) the drugs were procured for the Government officials as per request; (b) the Cortez Insta RPR Latex kit were received as an emergency, four were delivered to the National Reference Laboratory and six to the warehouse at Diamond. The SRNs will be presented to the Audit Office and the cheque will be updated and paid to the supplier; (c) the fendona was received before the tender board award because this chemical was needed on an emergency basis for the Chickungunya outbreak; and (d) this voucher was entered in IFMAS by the staff of GPHC and the entry will be adjusted at the Ministry of Finance.

*Recommendation:* The Audit Office recommends that the Ministry ensures that valid contracts are prepared and signed off before the delivery of items and that expenditure are reflected under the correct line items. (2015/183)

#### Other

392. According to the Appropriation Account, amounts totalling \$236.455M were expended under this line item for the period under review. Included in the sum of \$236.455M are amounts totalling \$128.893M which were expended on medical treatment locally and overseas, airfare, rental, shipping, meals, etc. Amounts totalling \$46.826M represented payments made for ninety-five private individuals and four Government Officials who underwent medical treatment. The total cost for the private individuals was \$41.315M, while the cost in respect of the Government Officials was \$5.511M.



393. An examination of the medical treatment files revealed that thirteen receipts totalling \$18.357M were missing from the patients files. Included in the figure of \$18.357M is the sum of \$10M representing ten payments made to the Caribbean Heart Institute for medical treatment during the year 2015. Audit enquiries revealed that the sum was paid to the Institute but it was not utilized, because the patients opt not to have the surgeries done or because of death of patients. The unutilized monies were retained by the Institute. As a result, the Appropriation Account would be overstated by the said amount. It should be noted that the Ministry recovered the sum of \$10M on 25 July 2016 which was verified as having been properly brought to account in the books of the Ministry.

*Ministry's Response:* The Head of Budget Agency explained that the amount of \$10M was recovered on 25 July 2016 and was deposited into the Consolidated Fund on 26 July 2016.

*Recommendation:* The Audit Office recommends that the Ministry implement systems to better monitor payments with periodic reconciliations done and have all unutilized monies refunded to the Consolidated Fund. (2015/184)

#### Utility Charges

394. According to the Appropriation Accounts, amounts totalling \$161.410M were expended on utility charges for the period under review. Examination of the Utility Registers revealed differences when compared to the Appropriation Accounts and IFMAS statements, as shown below:

Description	IFMAS Amount \$'000	Register Amount \$'000	Difference \$'000
Telephone Charges	32,541	27,395	5,146
Electricity Charges	98,579	88,546	10,033
Water Charges	30,290	22,351	7,939
Total	161,410	138,292	23,118

395. In addition, examination of the Utilities Registers and the other relevant records also revealed the following:

- a) a list containing two hundred and eight telephone numbers were presented for the period under review of which twenty-four were not in use. Also, examination of the telephone listing revealed that fourteen telephone numbers were not recorded in the Register;
- b) an overseas register was not maintained by the Ministry to record all overseas calls made. As a result, the number of telephones with access to overseas calls and the control over private overseas calls made could not be determined;
- c) a list containing fifty-four electricity meters was presented for audit examination. However, checks revealed that nine meters were not recorded in the Electricity Register;



- d) the Water charges Register was not properly maintained for the year 2015 since pertinent information, such as date of payment, amount paid, location of meters, supervisory checks and monthly payments were not included in the Register; and
- e) also, a list containing twenty-eight water meters was presented for the period under review. However, checks in the GWI Register revealed that four meters stated on the listing were not recorded in the Register.

*Ministry's Response:* The Head of Budget Agency explained that (a) the twenty-four telephone numbers not recorded in the register were not in use and the numbers omitted from the register would be included; (b) overseas calls are not recorded in a register but can be checked from the listing that GTT provides; (c) these meter numbers are now included in the register; (d) all pertinent information are now recorded in the register; and (e) the four meter numbers are now recorded in the register.

*Recommendation:* The Audit Office recommends that the Ministry reconcile the Registers with the IFMAS statements to identify the differences and that all pertinent information be recorded in the Registers. (2015/185)

#### *Subsidies and Contributions to Local Organisation*

396. The Ministry of Public Health commenced providing a subvention to the Georgetown Public Hospital Corporation (GPHC) with effect from 1 September 2015. GPHC was budgeted for under Agency 46 for the period 1 January to 31 August, 2015 and received subventions totalling \$1.964 billion for current expenditure and \$320.458M for capital expenditure for the period September to December 2015. GPHC is governed by its own Act and is subject to separate financial reporting and auditing as required by Sections 48 and 64 of the Public Corporation Act. GPHC is required to produce audited accounts not later than six months after the expiry of each calendar year, and have same laid in the National Assembly not later than nine months after the expiry of the calendar year to which it relates. At the time of reporting, Financial Statements for GPHC for the period September to December 2015 have not been submitted for audit.

*Ministry's Response:* The Head of Budget Agency has indicated that efforts are being made to have the Financial Statements prepared and submitted for audit.

*Recommendation:* The Audit Office recommends that the Ministry ensures that the Financial Statements are prepared and submitted for audit, earliest. (2015/186)

Linden Hospital Complex

397. During 2015, the Ministry of Health transferred to the Linden Hospital Complex amounts totalling \$261.129M from its current provisions. The sum was to have met the operational costs of the Hospital. The utilisation of the current appropriation to fund the Hospital was questioned, because funding for that entity was included under a programme in the budget of the Ministry, as though it was a department, while funding was disbursed as if it was a subvention agency under the Ministry. The Linden Hospital Complex was approved by Cabinet Decision dated 24 November 2015 to function as a board during the period 1 December 2015 to 30 November 2016. The following was also evident:

- a) the Linden Hospital Complex was not an autonomous or semi-autonomous body regulated under an Act of Parliament; and
- b) the entity was managed by a Board of Directors and was not required to provide the Ministry with financial or other reports that would indicate that some form of Ministerial supervision was exercised over its processes.

*Ministry's Response:* It was explained by Head of Budget Agency that the Linden Hospital Complex was approved by Cabinet to function as a board in 2015 and that the Hospital provides receipts and statements to cover all expenditures incurred.

*Recommendation:* The Audit Office again recommends that the Ministry take affirmative action to discuss this matter with the subject Minister and, if necessary, the Office of the Budget of the Ministry of Finance, with a view to having definitive decisions and action towards regularising the status of the Linden Hospital Complex. (2015/187)

398. In addition, during the year 2015, audit checks carried out at the Linden Hospital Complex revealed the following discrepancies:

- a) examination of the payroll and other related documents at the Linden Hospital Complex revealed that pay change directives for the termination of employment in respect of one employee was forwarded late to the Central Accounting Unit of the Hospital. As a result, the employee was overpaid salaries totalling \$23,930. Further, the Hospital was still to recover the sum of \$18,000 overpaid to one employee for the year 2014;
- b) the Stores Regulations require that a Master Inventory be maintained, however the Hospital did not adhere with this requirement, since, this record was not maintained for the period under review;
- c) log books presented for audit were not properly maintained, to reflect the signature of the authorizing officer for the journeys undertaken. As a result, it could not be ascertain whether proper control was exercised over the use of the Complex's fleet of vehicles.

- d) in accordance with the register maintained by the MMU Kingston Bond, a total of thirty-nine Combined Requisition and Issue Voucher (CRIV) books were issued to the Hospital for the year 2015. However, checks at the Hospital revealed that a record was not maintained to record the receipt and issue of the books. Physical checks carried out on the CRIV books revealed that fifteen were used, three unused and two were in use the difference of nineteen books could not be located by the Hospital;
- e) the historical records of vehicles, plant and equipment in Form 16 were not properly maintained by the Hospital to reflect all pertinent information, contrary to the requirements of Section 26 of Stores Regulation 1993. As a result, it could not be determined whether the vehicles were operating economically; and
- f) a physical verification of drugs conducted in July 2016, revealed that the Hospital had a quantity of 59,932 expired drugs on hand which were recorded in the expired drugs register, as shown below:

Facility	No of Items	Quantity of Drugs
Linden Hospital Complex Bond	74	20,579
Linden Hospital Complex	95	37,305
McKenzie Pharmacy	14	1,241
Upper Demerara Hospital Pharmacy	51	807
Total	234	59,932

*Ministry's Response:* The Head of Budget Agency has indicated that (a) the overpayment of salaries was acknowledged. This employee is no longer on the job. However, a letter was written to their bank requesting the recovery of the sum; (b) work is being done to record the assets as per Department; (c) the information omitted from the vehicle log books will be rectified; (d) no register was kept but a register will be introduced immediately; (e) action is now being taken to have log books and historical records kept and properly maintained for each vehicle; and (f) whenever the certificates are available they will be presented for audit examination.

*Recommendation:* The Audit Office recommends that (a) action be taken to recover the salaries overpaid; (b) put systems in place to ensure that all records are maintained as required by Stores Regulation 1993; (c) present all outstanding documentation for audit examination; and (d) ensure that the expired drugs are properly disposed of. (2015/188)

399. Physical verification exercise conducted at Kingston Bond during the month of August 2016, revealed the following:

- a) Section 23 of the Stores Regulations 1993 in respect of permanent stores states that “the storekeeper shall make appropriate entries in the Permanent Stores Register in Form 5 indicating clearly the location to which the stores are sent and the custodian thereof.” In this regard the Ministry did not maintain a Permanent Stores Register to record the receipt and issue of assets for the period under review as required by the Stores Regulations; and
- b) twenty-six instances were observed where there were differences between the Stock Ledger and Bin Cards balances.

*Ministry’s Response:* The Head of Budget Agency explained that (a) there is a stock ledger for all receipts and issues of stores; and (b) the difference between the stock ledger and bin cards balances is as a result of the items not being written off at the same time but at a later date.

*Recommendation:* The Audit Office recommends that the Ministry adheres to the Stores Regulations as it relates to the maintenance of a Permanent Stores Register and that reconciliations are carried out periodically on the registers. (2015/189)

400. Verification exercises were also conducted at MMU Diamond Warehouse during the month of August 2016 and the following were observed:

- a) Section 46 of the Stores Regulations states that “the Permanent Secretary shall ensure that all Forms and other documents relating to store-keeping and stores accounting are properly safeguarded. A register of forms in Form 21 shall be maintained and issues shall be made in numerical sequence based on the pattern of usage. Care shall be taken to ensure that the minimum number of forms is issued. Forms shall be issued on the authority of the Permanent Secretary.” In this regard, a Control Forms Register was not maintained by the Warehouse to record the receipt and issue of Stores Receive Notes (SRN’s) and other controlled forms used by the facility. As a result, it could not be determined if proper control was exercised over the issue and use of these books;
- b) a list of fifty-three expired items with a total quantity of 11,899 units was generated from the Management Accounting Computerized Software (MACS) system as at August 2016. However, the value of the expired items could not be determined, due to the absence of pricing information from MMU. Physical checks carried out in August 2016, revealed that seven of the items had differences when compared to the expired listing provided by MMU. As a result, reliance could not be placed on the accuracy and validity of the listing of expired drugs provided for verification;

- c) the Unit's Standard Operating Procedures No. S012 GUY, which relates to the destruction of expired damaged/rejected stock, states that "the lead shall prepare triplicate copies of a Destruction List of the products to be destroyed. The list should state clearly the generic name, dosage form, batch number, strength, pack size, quantity, manufacturer and market value of the product." However, the listings did not reflect the manufacturer and market value. Further, three destruction certificates were seen for the disposal of five hundred and fifteen expired drugs with total quantity of 1,566,620 units as at August 2016 as shown below. However, the value of the items could not be determined due to the absence of price for the items on the listing.

Date of Certificate	№ of Items	Quantity
2016.01.25	288	805,314
2016.02.28	161	143,880
2015.12.08	66	617,426
Total	515	1,566,620

- d) expired drugs are required to be taken off the shelves and be quarantined immediately upon recognition. However, it was observed that the following expired items were still on the shelves at the time of verification in August 2016, as shown below:

Items	Batch Number	Expiry Date	Quantity
Amphotericin	AP02504	30/06/2015	381
Oxytocin	DL-1418	31/07/2016	780
Nystatin	FA4333	30/06/2016	1,710
Total			2,871

*Ministry's Response:* The Head of Budget Agency explained that (a) the forms were normally recorded at the Materials Management Unit, Kingston before being sent to Materials Management Diamond which will institute a control forms register; (b) and (c) the MOPH's system were not geared to capture the cost data as it relates to the value of the expired stock. Retrieval of the value is labour intensive and is affected by the lack of human resources that plagues the MMU. Measures are being put in place to capture this data in the electronic warehouse management systems; and (d) there is an established process at the MMU Diamond for the removal of expired products from the shelves within one week after the date of expiration. However, a lack of adequate human resources stymies this process resulting in the process being protracted. To avoid any errors in distribution, these products are electronically quarantined.

*Recommendation:* The Audit Office recommends that the Ministry ensures compliance with the Stores and Food and Drugs Regulations for the removal, accounting, storage, security and destruction of expired items and that all relevant records are kept and properly maintained. (2015/190)

### Other Matters

401. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills/receipts and other documents in support of the payments made. Examination of the cheque order register for the period under review revealed that sixty-one cheque orders valued at \$10.661M were outstanding as at September 2016.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is in the process of clearing the outstanding cheque orders.

*Recommendation:* The Audit Office recommends that the Ministry (a) ensures that the outstanding cheque orders are cleared; (b) put systems in place to ensure cheque orders are cleared within the stipulated time frame; and (c) provide details to the Audit Office for scrutiny when outstanding cheque orders are cleared. (2015/191)

### Warrants

402. The Ministry received eleven warrants totalling \$890.585M, from all the Administrative Regions in 2015, as shown in the table below. The warrants were intended for the procurement of drugs and medical supplies for the various health facilities in the Regions. The sum of \$5.371M was expended by the Ministry for the procurement of medical supplies for Region No. 6 during the period under review. The balance of \$885.214M was retained in the Consolidated Fund account. As a result, the Appropriation Accounts of the Regions would have been overstated by the respective amounts shown as balances in the table below:

Region	Warrant No	Amount \$'000	Amount Expended \$'000	Balance \$'000
1	1/15	40,000	0	40,000
2	1/15	85,914	0	85,914
3	3/15	162,532	0	162,532
4	2/15	224,781	0	224,781
5	8/15	74,500	0	74,500
6	1/15	157,309	5,371	151,938
7	1/15	22,000	0	22,000
8	1/15	12,049	0	12,049
9	1&2/15	21,500	0	21,500
10	4/15	90,000	0	90,000
Total		890,585	5,371	885,214

*Ministry's Response:* The Head of Budget Agency explained that the warrants were received in November and December 2015. As a consequence, it would not have been possible to comply with the procurement process for open and competitive bidding.

*Recommendation:* The Audit Office recommends that the Ministry ensures that the amounts received via warrants are expended for the purposes intended and any unspent amounts are returned to the relevant Budget Agencies/Regions with the necessary financial returns. (2015/192)

403. In relation to the amount of \$5.371M expended on the purchase of medical supplies for Region No. 6, nine contracts were awarded by the Regional Tender Board, Region No.6 on 31 December 2015. An analysis of the related procurement and payment documents and records revealed the following discrepancies, as summarised in the table below:

No of contracts	Contract Amount \$'000	Date of Award	Requisition to Purchase Date	Stores Received Note Date	Invoice Date	Payment Date	Amount Paid \$'000
6	3,901	31/12/2015	30/12/2015	22/10/2015	22/10/2015	5/2/2016	3,901
3	1,470		30/12/2015	14/12/2015	14/12/2015		1,470
9	5,371						5,371

404. As can be gleaned from the table above the goods were received before the award of the contract and the preparation of the "Requisitions to Purchase". Payment was made on 5 February 2016, via cheque number 05-714850 dated 31 December 2015. At the time of reporting in September 2016, the Audit Office was conducting further investigations into this matter.

#### Motor Car Advance

405. Examination of the motor car advance register for the year 2015 revealed the following observations:

- a) the register was not properly maintained to reflect pertinent information such as the amount of the advance, interest, payment start and completion dates, outstanding balances etc;
- b) a comparison of the December 2015 pay listing and the register revealed that payments totalling \$146,772 made in relation to four officers were not recorded in the register; and
- c) as at 31 December 2015, the pay listing reflected amounts totalling \$1.326M and the register reflected \$1.092M, resulting in the register being understated by \$234,014.

*Ministry's Response:* The Head of Budget Agency explained that (a) the register is currently being updated; (b) work is ongoing to reconcile the two records; and (c) the register is currently being updated to record the omissions.

*Recommendation:* The Audit Office recommends that the Ministry update the records to reflect the correct balances and to reconcile the differences. (2015/193)

### Stores and Other Public Property

406. Section 39 of the Stores Regulation of 1993 states that “It shall be the duty of the Permanent Secretary to ensure that each item of stores is checked at least once a year. All shortages or other discrepancies shall be investigated immediately and a report submitted to the Secretary to the Treasury (now Finance Secretary), copied to the Auditor General. All surpluses shall be written back to the Bin Cards in Form 1 and to the Stores Ledger in Form 7.” In this regard, validation exercises were carried out on a sample of two hundred and nineteen items of stock, including pharmaceutical and other medical supplies, stationery, dietary, electrical and janitorial items. Overall, shortages were identified in 16% of the instances examined, while overage was 8% as shown in the table below. The respective values of the shortages and excesses identified could not be readily determined.

Location of Store	Items Checked	Shortage	Overage
Kingston Bond	29	17	2
MMU Diamond	103	17	9
Linden Hospital	38	0	2
Linden Pharmacy	49	0	4
Total	219	34	17

*Ministry's Response:* The Head of Budget Agency has indicated that all shortages/excesses are being investigated and corrective actions will be taken to clear the issue.

*Recommendation:* The Audit Office recommends that the Ministry ensures that the records at these facilities are reconciled in order to identify and account for the differences. (2015/194)

### Capital Expenditure

407. The sum of \$729.215M was allocated for the payment of retention, construction of Port Kaituma Hospital, consultancy, completion of nursing school at East Street, rehabilitation of nursing school Kingston, water filtration system, extension of waiting area Georgetown Chest Clinic, canteen facilities at Linden Hospital Complex, and construction of sanitary block at West Demerara Regional Hospital. The sum of \$596.439M was expended under the capital programs for the period under review as shown below:



Description	Amount \$'000
Georgetown Public Hospital Corporation	260,718
Ministry of Health-Buildings	143,950
Equipment-Medical	61,359
HIV/TB/Malaria Programme	54,915
Land and Water Transport	22,888
Equipment	25,555
Specialty Hospital Project	17,503
Office Furniture and Equipment	9,551
Total	596,439

Georgetown Public Hospital Corporation

408. The sum of \$320.458M was allocated to the Georgetown Public Hospital Corporation for (i) the completion of maternity building and operation theatre; (ii) extension of Renal Centre and Industry Health Centre; (iii) rehabilitation of library; (iv) purchase of ambulance; and (v) purchase of medical and non-medical equipment. According to the Appropriation Account amounts totalling \$260.718M were expended during the period 1 September to 31 December 2015, as shown below:

Description	No of Payments	Amount \$'000
Medical and Non-Medical Equipment	59	193,016
Completion of Maternity Building	4	34,330
Purchase of Ambulance	2	14,533
Extension of Renal Centre	6	7,132
Extension of Industry Health Centre	5	4,848
Rehabilitation of Library	4	3,843
Construction of Operation Theatre	1	3,016
Total	81	260,718

409. Including in the sum of \$260.718M is the amount of \$207.548M expended for the purchase of assets. Examination of the payment vouchers, contracts and other related documents, including physical verification of the assets purchased, revealed the following:

- a) a contract valued at \$6.016M was awarded by NPTAB on 12 November 2015 to an overseas company for the procurement of one orthopedic saw. Audit checks revealed that as at 10 September 2016, the saw has not yet been received by the Corporation; and
- b) a contract valued at \$8.096M was awarded by NPTAB on 10 December 2015 for the procurement of nine fuel meters. Physical checks revealed that as at 10 September 2016, of the nine fuel meters were received, however, only five were installed.

*Ministry Response:* The Head of Budget Agency explained that the Corporation is working with the supplier to have the orthopedic saw delivered within the next quarter and currently the Facilities Department is working to have the remaining meters installed.

*Recommendation:* The Audit Office recommends that the Corporation follow up on the outstanding items to be delivered. (2015/195)

Ministry Building

410. The sum of \$182.399M was allocated for Ministry of Health Buildings, which entailed payment of retention, water filtration system, extension of waiting area at Georgetown Chest Clinic, Port Kaituma Hospital, canteen facilities, consultancy, completion of nursing school-East Street, construction of sanitary block at West Demerara Hospital Hostel and rehabilitation of Kingston and East Street Nursing Schools. According to the Appropriation Account, the sum of \$143.950M was expended during the period under review, as shown below:

Particulars	№ of Payments	Amount \$'000
Construction of Port Kaituma Hospital	14	124,048
Rehabilitation of Nursing Schools	6	11,786
Rehabilitation works to Kwakwani Hospital	3	2,052
Construction of Hybrid Catheterization Laboratory-GPHC	1	2,007
Renovation of Doctors Quarters Richmond Hill Linden	1	1,176
Construction of Maternal Home	1	1,124
Installation of Air Conditioning Units at Nursing School	3	1,112
Water filtration system for Food and Drugs Dept.	1	345
Extension of waiting area Georgetown Chest Clinic	2	300
<b>Total</b>	<b>32</b>	<b>143,950</b>

411. Included in the sum of \$143.950M are amounts totalling \$124.048M which were expended in relation to seven contracts for the construction of the Port Kaituma Hospital during the period under review, as shown below:

NPTAB №	Contract №	Description of Works	Amount \$'000
3720/13	1088/13	Construction of Port Kaituma Hospital	86,385
3634/15	1058/15	Generator building and equipment	10,183
3617/15	1054/15	Construction of Infectious Facility	8,193
3615/15	1057/15	Completion of Administration building	7,159
3720/13	0296/13	Consultancy services for Port Kaituma Hospital	6,016
3616/15	1056/15	Site development work	3,302
3633/15	1055/15	Mortuary building and equipment	2,810
<b>Total</b>			<b>124,048</b>

412. Two contracts valued at \$375.113M and \$13.541M were awarded by NPTAB in 2013 for the construction of Port Kaituma Hospital, Region No. 1 and consultancy respectively. Payments totalling \$92.402M were made on two contracts that were awarded in 2013, as shown below. A multi-year approval was presented by the Ministry to validate the roll over payments made on the contracts.

NPTAB №	Contract №	Contract Sum \$'000	Payments			Total Payments \$'000	Balance on Contract \$'000
			2013 \$'000	2014 \$'000	2015 \$'000		
3720/13	1088/13	375,113	64,273	214,591	86,386	365,250	9,863
	0296/13	13,541	0	4,844	6,016	10,860	2,681
Total		388,654	64,273	219,435	92,402	376,110	12,544

413. Also, five contracts totalling \$158.231M were awarded by NPTAB during December 2015 for works at the Port Kaituma Hospital with payments totalling \$31.647M made during the period under review, giving the balance of \$126.584M, as shown below:

NPTAB №	Cont. №	Description of works	Cont. Sum \$'000	2015 Payment \$'000	Balance on contract \$'000
3634/15	1058/15	Const. of Generator building & installation of fixtures	50,915	10,183	40,732
3617/15	1054/15	Construction of Infectious Facility	40,963	8,193	32,770
3615/15	1057/15	Completion of Administration Building	35,796	7,159	28,637
3616/15	1056/15	Site Development Work	16,510	3,302	13,208
3633/15	1055/15	Mortuary Building and Equipment	14,047	2,810	11,237
Total			158,231	31,647	126,584

414. A physical verification carried out 10 September 2016 on the above contracts revealed the following:

- a) the contract for the construction of generator building and installation of fixtures was signed on 29 December 2015 with an intended completion date of eighteen weeks after the date of commencement, the date of commencement being within fourteen days after signing the contract. As at 10 September 2016, the works on the building were substantially completed; however, the generator set and electrical installations were still to be installed;

- b) the contract for the construction of Infectious In-patient Facility was signed on 29 December 2015, with an intended completion date of eighteen weeks after the date of commencement, the date of commencement being fourteen days after the signing of the contract. As at 10 September 2016, the building was incomplete and no works were in progress at the time and approximately nine months had elapsed. The Ministry did not provided documentation to validate an extension. Further, the performance and advance payment bonds were valid as at 10 September 2016; however, the bonds will have to be extended, since the completion of the works has been significantly delayed;
- c) the contract for the completion of Administrative Services Building was signed on 29 December 2015, with an intended completion date of four months after the date of commencement, the date of commencement being twenty-one days after signing the contract. As at 10 September 2016, the works were still in progress and approximately nine months had elapsed. The Ministry did not provide documentation to validate an extension. Further, the mobilization bond had a validity period of 29 March 2016, and it is unclear if the advance payment was fully recovered at the time of physical verification;
- d) the contract for site development works was signed on 29 December 2015, with an intended completion date of two months after the date of commencement, the date of commencement being twenty-one days after signing the contract. As at 10 September 2016, the works were still in progress and approximately nine months had elapsed. The Ministry did not provided documentation to validate an extension. Further, the mobilization bond expired since 29 March 2016, and it is unclear if the advance payment was fully recovered at the time of physical verification; and
- e) the contract for the construction of mortuary building was signed on 29 December 2015, with an intended completion date of ten weeks after the date of commencement, the date of commencement being fourteen days after signing the contract. As at 10 September 2016, the building was incomplete and no works were in progress at the time and the final accounts were still to be prepared. Approximately nine months had elapsed and the Ministry did not provided documentation to validate an extension. Further, the mobilization bond expired on 29 March 2016, and it is unclear if the advance payment was fully recovered at the time of physical verification.

*Ministry's Response:* The Head of Budget Agency explained that (a) the generator set and electrical installations were still to be installed; and (b) to (e) the Ministry has indicated to the contractor to have the bonds by 1 October 2016.

*Recommendation:* The Audit Office recommends that the Ministry (a) submit the final accounts after the final payment is made to the contractor; (b) to (e) ensure that all bonds remain valid for the respective periods specified in the contract and for any extensions granted. (2015/196)

415. Amounts totalling \$11.871M were expended in relation to three contracts awarded by NPTAB in the year 2013 and 2014 for the rehabilitation of the Nursing Schools East Street and Kingston. Multi-year approvals were presented by the Ministry to validate the roll over payments made on the contracts. See summary of payment below:

NPTAB №	NPTAB Date	Contract №	Contract Sum \$'000	Payments			Total Payments \$'000	Balance on Contract \$'000
				2013 \$'000	2014 \$'000	2015 \$'000		
4236/14	18/12/14	1118/14	13,397	0	1,400	11,403	12,803	594
3325/13	12/12/13	1014/13	9,079	7,789	901	383	9,073	6
4284/14A	24/12/14	1134/14	1,699	0	1,614	85	1,699	0
Total			24,175	7,789	3,915	11,871	23,575	600

416. Two contracts for the rehabilitation of Kwakwani Hospital were awarded by NPTAB on 22 December 2015 and 18 September 2014 in the sums of \$2M and \$29.755M, respectively. The sum of \$2.052M, as shown below, was expended during the period under review. However, multi-year approvals were seen for the contracts to be paid in the next financial year.

NPTAB №	Contract №	Contract Sum \$000	2014 Payments \$'000	2015 Payments \$'000	Total Payments \$'000	Balance on Contract \$'000
2423/14	0631/14	29,755	28,252	1,487	29,739	16
4628/14	1135/14	2,000	1,433	565	1,998	2
Total		31,755	29,685	2,052	31,737	18

#### Equipment Medical

417. The sum of \$75.175M was allocated for the purchase of PH meters, analytical balance, dental chairs, fetal monitors, bio-chemistry analyzer, etc. According to the Appropriation Account, amounts totalling \$61.359M were expended during the period under review. In relation to the sum expended, the Ministry had one cheque dated 31 December 2015, in the value of \$47.231M still on hand as at 10 September 2016. Also, items valued at \$29.498M were not received by the Ministry at the time of reporting, as shown below:

Description	Quantity	Amount \$'000
Bio-Chemistry Analyzer	1	10,600
ECG Machines	7	4,200
Dental Chairs	2	4,000
Adult Cardiac Monitors	21	3,793
Incubator	6	3,263
Trolleys	6	2,400
PH Meters	5	1,157
Stools	3	85
Total	51	29,498

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is pursuing the outstanding delivery of medical supplies from the suppliers.

*Recommendation:* The Audit Office recommends that the Ministry have all documents presented for audit and to have cheques paid promptly. (2015/197)

#### HIV/TB/Malaria Programme

418. The sum of \$54.915M was allocated to the HIV/TB/ Malaria Programme for Grant No. GYA-M-MOH. The grant was last audited for the financial year 2015 by T.S.D Lall. The sum of \$42.447M was expended during the year 2015 as reflected in the Financial Statements presented.

#### Land and Water Transport

419. The sum of \$25.960M was allocated for the purchase of All Terrain Vehicles (ATV), boats, outboard engines and motorcycles for the period under review. According to the Appropriation Account, amounts totalling \$22.888M were expended. See details below:

Particulars	Amount \$'000
Purchase of 5 ATV bikes	9,250
Purchase of double cab pick-up	5,850
Procurement of minibus	3,000
Purchase of two outboard engines	2,202
Purchase of 8 motorcycles	1,586
Purchase of aluminum boat	1,000
Total	22,888

420. Examination of the payment vouchers, stores records, contracts and other related records revealed that one cheque valued at \$3M for the purchase of one mini-bus was still on hand in September 2016. In accordance with the contract document, delivery was required to be made "within 150 days after the signing of the contract." However, checks revealed that the Ministry did not receive the mini-bus as at August 2016, although the supplier was required to deliver same by 30 May 2016 as specified in the contract.

*Ministry's Response:* The Head of Budget Agency explained that the tax exemption letter is at GRA awaiting approval.

*Recommendation:* The Audit Office recommends that the Ministry ensures that the mini-bus is received from the supplier. (2015/198)

### Equipment

421. The sum of \$32.320M was allocated for the purchase of forklift, refrigerator, fogging machines, televisions, stove, compressors, fans, scales, height boards, chillers, washing machines, dryers, air conditioners, beds, fire extinguishers, shredder etc. According to the Appropriation Account, amounts totalling \$25.555M were expended. See details below:

Particulars	Amount \$'000
Purchase of forklift	11,193
Purchase of 6 fogging machines	5,675
Purchase of 3 industrial washing machines	5,102
Purchase of 6 AC Units	1,091
Purchase of 7 beds	595
Purchase of height board	560
Purchase of 4 televisions & digital kitchen sets	537
Purchase of 4 body scales and 7 water dispensers	343
Procurement of 2 gas stoves	324
Purchase of ceiling & stand fans	135
Total	25,555

- a) a contract valued at US\$53,296 and equivalent to G\$11.192M was awarded by NPTAB on 31 December 2015 for the procurement of one forklift. The full contract sum was made as an advance payment to the local supplier on 11 February 2016. The payment was covered by three advance payment guarantees with a validity period from 6 January 2016 to 30 September 2016. Checks revealed that as at 10 September 2016, the forklift was not yet received by the Ministry; and
- b) examination of the payment vouchers, contract documents, stores documents and other related records revealed that two cheques totalling \$5.999M for the payment of six fogging machines and three stoves were still on hand as at 10 September 2016, as shown below. Checks carried out at the Stores revealed that the fogging machines were received and properly brought to account in the relevant records, while the Ministry was yet to receive the gas stoves valued at \$324,162 as at 10 September 2016.

Cheque №	Date	Details	Amount \$'000
05-714618	31/12/15	Fogging Machines	5,675
05-714852	31/12/15	Gas Stoves	324
Total			5,999

*Ministry's Response:* The Head of Budget Agency explained that the three gas stoves have not yet been received. However, follow-up actions are being taken to ascertain its status.

*Recommendation:* The Audit Office recommends that the Ministry follow-up with the supplier to have all outstanding deliveries received and properly accounted for in the records. (2015/199)

422. In 2015, the sum of \$17.503M was budgeted to bring closure to this project. The entire sum was expended in 2015 for the payment of demurrage fees for the period 13 December 2014 to 12 June 2015.

#### Office Furniture and Equipment

423. The sum of \$15.485M was allocated for the purchase of office furniture and equipment for the period under review. According to the Appropriation Account, amounts totalling \$9.551M were expended during the period under review. Examination of the payment vouchers, stores records, contracts and other related records revealed that as at 10 September 2016, six cheques totalling \$3.172M for the supply of filing cabinets, chairs, binding machines, fans and printers were still on hand. In addition, the printers and the fans were still to be delivered. Further, five of the contracts valued at \$2.755M were signed after the cheques were printed on 31 December 2015, as shown below:

Cheque №	Cheque Date	Contract Signed	Details	Amount \$'000
05-714445	31/12/15	21/01/16	12 Filing cabinets	936
05-714447	31/12/15	12/05/16	63 Combination chairs	539
05-714960	31/12/15	19/05/16	14 HP Laser jet printers	504
05-714451	31/12/15	07/03/16	50 Visitors and 5 Typist chairs	487
05-714448	31/12/15	19/01/16	2 Binding machines and 15 fans	289
Total				2,755

*Ministry's Response:* The Head of Budget Agency explained that the awards were late and the vouchers had to be entered before 31 December 2015, if not the funding would have been lost. The suppliers accepted to supply the items.

*Recommendation:* The Audit Office recommends that the Ministry adheres to the requirements of the Procurement Act as it relates to the award of contracts and that follow-up action is taken to have all the outstanding items delivered. (2015/200)



AGENCY 44  
MINISTRY OF CULTURE, YOUTH & SPORT

Prior year matters, which have not been resolved

Current Expenditure

424. The Ministry had still not taken the necessary steps to ensure that all employees are registered with the National Insurance Scheme (NIS). In 2014, nine employees were without NIS numbers. Similarly, in 2015 there were six employees without NIS numbers. It should be emphasised that the failure to have employees registered with the Scheme has implications for their social security and other benefits.

*Ministry's Response:* The Head of Budget Agency explained that efforts are ongoing to ensure that all employees are registered with the Scheme.

*Recommendation:* The Audit Office recommends that the Ministry ensure that all employees are registered with the National Insurance Scheme. (2015/201)

425. National Insurance Scheme receipts for the months of February and March, 2014 were not submitted for audit examination, thus making it difficult to ascertain whether the deductions were paid over to the NIS within the stipulated time for those months. It was also observed that deductions were paid over to NIS six months after the stipulated date. However, we were unable to determine how much interest and penalties were charged by the Scheme, since this information was not readily available.

*Ministry's Response:* The Head of Budget Agency indicated that they have since written NIS to have copies of the missing receipts.

*Recommendation:* The Audit Office recommends that the Ministry ensure that all NIS receipts in respect of monies paid over are presented for audit examination when requested. (2015/202)

426. The accounts of the National Sports Commission and National Trust are required by law to have separate audits and have the reports submitted to the National Assembly. At the time of reporting in September 2016, audit report for National Sports Commission was not laid in the National Assembly for the years 2011 to 2013, while in respect of National Trust, although audit of the entity was completed up to 2014, no audit reports were laid. However, evidence was seen whereby Cabinet approved the laying of the reports in the National Assembly.

*Ministry's Response:* The Head of Budget Agency indicate that the Financial Statements for National Trust and National Sports Commission for the years 2011-2014 have been sent to Parliament for consideration.

*Recommendation:* The Audit Office again recommends that the Ministry make a special effort to have these accounts laid in the National Assembly. (2015/203)

427. The Ministry operated a Special Project Bank Account № 01626004000 into which funds from various sources such as Guyana National Stadium, refunds to the Permanent Secretary, Ministry of Culture, Youth & Sport, Digicel and the Guyana Lotteries Commission are deposited and from which related expenditure were facilitated. It was observed that the Ministry continued to inappropriately meet unrelated expenditure from this account. The bank balance on this account as at 31 December 2014 was \$70.297M, while the cash book balance was \$64.449M. Similarly, in 2015, the bank balance according to the cash book was \$11.498M, while the cash book balance was \$11.023M. The bank statement balance as at December 2015 was \$29.952M.

428. In 2014, the Ministry had deposited revenues totalling \$25.658M into the Special Project Account № 01626004000, instead of the Consolidated Fund. This sum consisted of revenues totalling \$23.612M, and \$2.046M which were realized from the rental of the Guyana National Stadium and the sale of the Guyana Classic, respectively. Similarly, in 2015, the Ministry's project cash book reflected amounts collected as \$367.192M and deposited into the project account. Further, this account has never been reconciled, below are details of the collection of revenue. It was explained by Head of Budget Agency that the monies collected as shown below were deposited into the Consolidated Fund; however, checks carried out revealed that only the amount of \$2.224M from the sale of Guyana Classic was deposited into the Consolidated Fund.

Description	Amount \$'000
Rental of Guyana National Stadium	22,052
Refund – Permanent Secretary –MCYS	176,530
Guyana Lottery Commission	164,610
Digicel	4,000
Total	367,192

*Ministry's Response:* The Head of Budget Agency indicated that revenue collected from the sale of Guyana Classic and rental of Guyana National Stadium are being paid into the consolidated fund.

*Recommendation:* The Audit Office recommends that the Ministry take immediate action to ensure all revenues collected are deposited into the Consolidated Fund. (2015/204)

429. During 2013 and 2014 amounts totalling \$106.096M which represented unexpended balances on capital and current provisions were withdrawn and deposited into the Ministry's special project account. The transfer of the balances was in fact a breach of Section 43 of the Fiscal Management and Accountability Act 2003, which required all unexpended sums to be refunded to the Consolidated Fund. However, at the time of reporting in September, 2016 amounts totalling \$99.734M were expended and the balance of \$6.362M was refunded to the Consolidated Fund on 14 September 2016.

*Ministry's Response:* The Head of Budget Agency indicated that revenues collected from the sale of Guyana Classic and rental of the Guyana National Stadium are now being paid into the Consolidated Fund. In addition, at the time of response the Ministry is in full compliance with the FMA Act.

*Recommendation:* The Audit Office recommends that the Ministry take immediate action to ensure that all unspent balances are refunded to the Consolidate Fund. (2015/205)

430. Further, the sum of \$1.614M was expended for consultancy fees. However, evidence that tender board procedures were followed was not presented for audit examination. An amount of \$2.511M was also paid to an overseas travel agent for airfare for a senior official and one other to attend a conference. While the NPTAB did not adjudicate on these transactions, it is apparent that the expenditure was misappropriated in the case of the purchase of airfares. In addition, in 2015, the NPTAB awarded a contract in the sum of US\$18,458 with a Guyana Dollar equivalent of \$3.847M to procure additional equipment for the Synthetic Track to the same overseas supplier. Amounts totalling US\$13,844 with a Guyana Dollar equivalent of \$2.885M were paid to the supplier, while sea freight charges paid amounted to US\$5,200. Telex transfer costs were \$6,253, thus leaving a balance of \$28.119M. At the time of reporting in September 2015, there was no evidence that one set Seiko Track & Field Electronic System and a Starting Gun RG valued at US\$2,985 and US\$159, respectively, were received.

*Ministry's Response:* The Head of Budget Agency explained that the matter is presently engaging the attention of the Police, in addition to which further internal investigations are ongoing.

*Recommendation:* The Audit Office recommends that the Ministry take necessary action to bring closure to this matter. (2015/206)

#### Goods and Services

431. Circularised instructions require that historical records and log books be kept for each vehicle owned and/or operated by the Ministry in order to record maintenance costs and other pertinent information. Although the Ministry had not presented a comprehensive list for the fleet of vehicles owned for the year 2014, registrations for twenty-four vehicles were presented for audit examination. Historical records and log books were not submitted for eighteen vehicles. Similarly in 2015, log books for five vehicles which were operated by the Ministry were not presented for audit examination. In the circumstances, it could not be ascertained whether all journeys undertaken over the period were for official uses, had been properly authorised and whether proper control was exercised over the vehicles and consequently the use of fuel.

*Ministry's Response:* The Head of Budget Agency has indicated that log books are now being maintained for all vehicles.

*Recommendation:* The Audit Office recommends that the Ministry adhere strictly to the requirements of the Stores Regulations at all times. (2015/207)

### Capital Expenditure

432. The sum of \$30M was allocated in 2014 under the line item Youth. A Contingency Fund Advance was received in the sum of \$43.774M for the provision for internal security at New Opportunity Corps - reinforced concrete fence, chain link fence, installation of CCTV cameras and electrical upgrading, bringing the total funds available to \$73.774M. As at 31 December 2014, amounts totalling \$70.763M were expended. Assets totalling \$337,560 purchased for the Youth Department were not verified, since the Ministry failed to present the assets.

*Ministry's Response:* The Head of Budget Agency has indicated that the assets are available for verification.

*Recommendation:* The Audit Office recommends that the Ministry ensure that assets purchased are properly identified and available for verification when requested. (2015/208)

### Other Matter

433. Forty-four expense vouchers totalling \$10.813M for the year 2014 were not presented for examination. Similarly in 2015, twelve expense vouchers totalling \$47.253M were not presented for examination. In the circumstances, the propriety, accuracy and validity of the expenditure charged to the appropriated accounts could not be validated.

*Ministry's Response:* The Head of Budget Agency has indicated that efforts are still ongoing to locate the vouchers that were not presented for audit examination.

*Recommendation:* The Audit Office recommends that the Ministry take all necessary measures to locate the missing payment vouchers, while reviewing the controls exercised over all vouchers, so that corrective action could be taken to ensure that vouchers are properly secured for audit and the retention period. (2015/209)

### Current year matters, with recommendations for improvement in the existing system

#### Current Expenditure

##### Employment Cost

434. According to the National Estimates the Ministry was authorised to have a total of two hundred and ninety-one contracted employees. However, according to the Ministry's August, 2015 payroll, there were two hundred and ninety-four contracted employees. Below are details of the payments:

Salary Range \$	No. of Employee	Amounts \$'000
Below 100,000	230	13,697
100,000 – 250,000	61	7,574
250,000 – 400,000	3	956
Total	294	22,227

*Ministry's Response:* The Head of Budget Agency has acknowledged the finding.

*Recommendation:* The Audit Office recommends that the Ministry adhered to the approved inventory of positions. (2015/210)

435. An examination of fifty-five new employees' personal files for the period under review revealed that there was no evidence that the vacancies filled at the Synthetic Track and other Departments under the Ministry were advertised. In addition, certificates of character and references were not seen.

*Ministry's Response:* The Head of Budget Agency has indicated that all vacancies were filled through approval issued by Public Service Ministry and vacancy circulars issued by Public Service Commission.

*Recommendation:* The Audit Office recommends that the Ministry put systems in place to ensure that all relevant documentation is placed in employees personal files. (2015/211)

#### Goods and Services

436. The Ministry failed to conduct fuel reconciliation for the period under review. An examination of the Ministry fuel consumption register against GUYOIL statements revealed that the register was not updated to reflect actual fuel collection from the supplier. In addition, there was no evidence of supervisory checks to ensure that fuel ordered was supplied and collected from the suppliers since charge bills were not presented for examination.

*Ministry's Response:* The Head of Budget Agency has indicated that reconciliation is now being done.

*Recommendation:* The Audit Office recommends that the Ministry ensures that reconciliations are done between the amount of fuel paid for and the amount of fuel delivered by the supplier. (2015/212)

#### Dietary

437. The sum of \$60.016M was budgeted for Dietary. As at 31 August 2015, the full amount was expended. Audit examination revealed that the Ministry had breached Section 8 of the Procurement Act; since, there was no evidence that tender board procedures were followed, in that twenty-seven payments totalling \$26.733M were made to two suppliers for items supplied to the New Opportunity Corps, Kuru Kuru and Sophia Training Centers.

*Ministry's Response:* The Head of Budget Agency has indicated that due to the evaluation process being long the Ministry used the 2014 approved supplier to provide items because there were students at those facilities.

*Recommendation:* The Audit Office recommends that the Ministry adhere strictly to the requirements of the Procurement Act 2003. (2015/213)

438. In addition, the Ministry also breached the storekeeping procedures as required by the Stores Regulations 1993. It was observed that the receipt and delivery of items were not documented by the supplier or the Ministry, substitute items were delivered when original items were unavailable without approval, and several instances where full payment was made before items were supplied.

*Ministry's Response:* The Head of Budget Agency has acknowledged the finding and indicated that corrective action is being taken to avoid recurrence.

*Recommendation:* The Audit Office recommends that the Ministry adheres to the requirements of the Stores Regulations 1993. (2015/214)

### Revenue

439. The Ministry operated a Bank Account No.6886006 kept at a Commercial Bank into which funds from the National Culture Center were deposited instead of the Consolidated Fund and from which related expenditure was facilitated. During the period under review, amounts totalling \$52.675M were verified as revenue collected and the entire amount was expended. However, expense vouchers and bank statements were not presented for audit examination; hence, the accuracy of the bank balance could not be determined and in the circumstances, the propriety and validity of the expenditure could not be validated. In addition, according to the cash book, the bank balance on this account as at 31 December 2015 was \$2.781M, while the cash book balance was \$8,928. Bank reconciliation was not done during the period under review.

*Ministry's Response:* The Head of Budget Agency has indicated that the expense vouchers are now available for examination. The Bank was requested to provide bank statements for the period January to December 2015 to aid in the reconciliation process.

*Recommendation:* The Audit Office recommends that the Ministry ensures that (a) all revenues collected should be deposited intact into the Consolidated Fund in accordance with the FMA Act; (b) all relevant documents are properly secured and presented for audit examination; and (c) all outstanding bank reconciliations are done and brought up to date. (2015/215)

## Capital Expenditure

### Sport

440. The sum of \$77.730M was allocated for the payment for National Synthetic Track and National Aquatic Centre facilities. According to the Appropriation Account amounts totalling \$77.727M were expended as at 31 August 2015. However, contract documents for the construction of a warm down pool and two expense vouchers totalling \$39.526M were not presented for audit examination. In the circumstance, we could not ascertain the propriety, accuracy and validity of the expenditure, and whether proper controls were exercised over the sums expended. Below are details of the sum expended:

Description	Amounts \$'000
Construction of warm down pool	15,283
Construction of stands - Synthetic Track	22,363
Installation of night light - Synthetic Track	33,983
Installation of water distribution line	6,098
Total	77,727

*Ministry's Response:* The Head of Budget Agency has indicated that efforts are being made to have the contract documents and expense vouchers submitted for examination.

*Recommendation:* The Audit Office recommends that the Ministry ensure that documents are readily available for audit examination. (2015/216)

441. As it related to the construction of Synthetic Track and Field Facility - Phase 3 Lot 6, installation of Water Distribution Line and System, approval was granted by NPTAB for the award of the contract in the sum of \$16.833M. As at 31 December 2015, amounts totalling \$15.991M were paid to the contractor. A physical verification carried out revealed that the works were completed and overpayments totalling \$4.767M were made to the contractor as shown below:

Item	Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid \$'000
2.32	Painting Apply one prime coat and two finishing coat emulsion to all exposed concrete surfaces including for sanding, filling and cleaning	135	0	Sq.m.	135	700	95
3.32	Apply one prime coat and two finishing coat emulsion to all exposed concrete surfaces including for sanding, filling and cleaning	135	0	Sq.m.	135	700	95
4.32	Apply one prime coat and two finishing coat emulsion to all exposed concrete surfaces including for sanding, filling and cleaning	70	0	Sq.m.	70	700	49
	Pump and Filter System						
5.17	Allow for installation of reservoir pump and filter system to bottom slab and for filling of upper storage tanks for both northern stands and club house including for all plumbing and electrical works to energize pump and filter system. The pump and filter system to be approved by the Engineer before installation Additional Work	1	0	Prov Sum	1	3,000,000	3,000
1	Landscaping works as directed by eng.	1	0	Sum	1	1,528,275	1,528
Total							4,767

*Ministry's Response:* The Ministry acknowledges the findings and both the contractor and the consultant would be written to with the view of having all corrected works undertaken or recovery of sum overpaid. However, since the full contract sum was paid to the contractor in 2016 and the Ministry currently owes the consultants in the event that corrective work is not done the sum overpaid would be deducted from the consultant's outstanding payments.

*Recommendation:* The Audit Office recommends that the Ministry make every effort to recover the overpaid amount, while implementing stricter supervisory controls over execution and certification of works. (2015/217)



442. As it related to the construction of Synthetic Track and Field Facility - Phase 3 Lot 5, installation of Night Lighting System, approval was granted in 2015 by NPTAB for the award of the contract in the sum of \$45.258M. As at 31 December 2015, amounts totalling \$42.995M were paid to the contractor. A physical verification carried out revealed that the works were completed and overpayments totalling \$4.114M were made to the contractor as shown below:

Item	Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid \$'000
	Additional						
1	Supply and install all remaining electrical cables as directed by Engineer for the energizing of tower	1	0	Sum	1	4,114,360	4,114
Total							4,114

*Ministry's Response:* The Ministry acknowledges the findings and both the contractor and the consultant would be written to with the view of having all corrected works undertaken or recovery of sum overpaid. However, since the full contract sum was paid to the contractor in 2016 and the Ministry currently owes the consultants in the event that corrective work is not done the sum overpaid would be deducted from the consultant's outstanding payments.

*Recommendation:* The Audit Office recommends that the Ministry make every effort to recover the overpaid amount, while implementing stricter supervisory controls over execution and certification of works. (2015/218)

#### Other Matters

443. The Ministry issued twenty Inter-Departmental Warrants totalling \$23.617M to various Ministries, Departments and Regions. At the time of reporting in September 2016, financial returns for three warrants amounting to \$4M were not received by the Ministry. As a result, it could not be determined whether the sums were expended for the purposes intended.

*Ministry's Response:* The Head of Budget Agency has indicated that the Ministries were written to requesting submission of financial returns.

*Recommendation:* The Audit Office recommends that the Ministry ensures that it is in receipt of all financial returns in respect of warrants issued. (2015/219)

444. The Ministry has not taken the necessary steps to ensure that cheque orders are carefully monitored and cleared within the sixteen days stipulated time-frame through the submission of bills, receipts and other supporting documents. For the period under review, there were sixty-eight cheque orders totalling \$6.991M which remained outstanding. At the time of reporting in September 2016, the cheque orders were still not cleared. In addition, the dates cheque orders were cleared were not recorded in the register. As a result, it could not be determined whether the cheque orders were cleared within the stipulated time as required by circularised instructions.

*Ministry's Response:* The Head of Budget Agency indicated that the Ministry is in the process of clearing all outstanding cheque orders and that action is being taken to ensure that the cheque order register is properly written up.

*Recommendation:* The Audit Office recommends that the Ministry adheres to circularised instructions. (2015/220)

AGENCY 46  
GEORGETOWN PUBLIC HOSPITAL CORPORATION

Prior year matters, which have not been resolved

Current Expenditure

445. The Georgetown Public Hospital Corporation (GPHC) is a separate entity, which was established by order No. 3 of 1999 under the Public Corporation's Act 1988. Nevertheless, the Corporation continued to be budgeted as an Agency and, as such, prepared Appropriation Accounts until 1 September 2015 when the Corporation started receiving subventions from Ministry of Public Health, and commenced operating and maintaining its own accounting systems and records.

446. As a result of the foregoing and in accordance with Sections 48 and 64 of the Public Corporations Act, GPHC is required to produce audited account not later than six months after the expiry of each calendar year, and have same laid in the National Assembly not later than nine months after the expiry of the calendar year to which it relates. However, up to the time of reporting, the Corporation had not submitted its Financial Statements for audit.

*Corporation's Response:* The Georgetown Public Hospital Corporation is currently working to complete the outstanding Financial Statements in keeping with the Act.

## Capital Expenditure

447. Sixty-eight x-ray cassettes valued at \$1.883M were purchased in 2010; however the cassettes were still not received at the time of reporting in September 2016.

*Corporation's Response:* The Corporation has indicated that a loss report would be re-submitted to the Finance Secretary with a view of having the amount written off.

*Recommendation:* The Audit Office recommends that the Corporation follow-up with the Finance Secretary in order to have this matter brought to closure. (2015/221)

### Current year matters, with recommendations for improvement in the existing system

#### Employment Cost

448. The Corporation had still not recovered amounts totalling \$519,839 in relation to twenty-four employees that were overpaid during the year 2012. In that year, audit checks had identified twenty-seven instances, where overpayments totalling \$574,210, including deductions amounting to \$42,001, had occurred. However, during the year 2014, the GPHC was able to recover \$54,371, which included deductions totalling \$4,511. In addition, the sum of \$848,441, inclusive of deductions totalling \$60,251 was overpaid to twenty-six employees of the Corporation for the period January to August 2015.

*Corporation's Response:* The Human Resources Department has since reminded all Heads of Departments to immediately notify them whenever employees resign or are continually absent, so that timely action can be taken to stop payment of those employees' salary and possibly avert overpayment.

*Recommendation:* The Audit Office recommends that the Corporation continue to follow-up this matter with a view of recovering the amounts overpaid to employees and engage deduction agencies towards the recovery of the respective deductions. (2015/222)

449. During 2013, there was an apparent misappropriation of sums amounting to \$5.115M, where a Cashier acting alone and/or with persons unknown was considered a suspect. The facility where employees' personal cheques were en-cashed had contributed to loss of cash. This matter was referred to the Director of Public Prosecutions (DPP) through the Guyana Police Force and the DPP advised that a thorough investigation be conducted into this matter by a Fraud Investigator.

*Corporation's Response:* This position remains the same with the misappropriation of funds.

*Recommendation:* The Audit Office recommends that the Corporation follow-up with the DPP the present position in relation to this matter. (2015/223)

450. The Contractual Agreement between Employer and Employees states in the Section of Notice part 2 that “in lieu of giving notice of termination of employment, an employee wishing to resign must give at least one (1) month’s notice, or in keeping with terms of contract, in writing of his/her intentions to do so. A person whose resignation is acceptable is entitled to all benefits due to him. Failure to give adequate notice may result in his/her dismissal. The employee shall pay the Corporation a sum equal to the remuneration and benefits payable by the employer to the employee up to the expiry of the required period of notice”. However, for the period under review, eight persons breached this Contractual Agreement and were required to pay the Corporation the sum of \$1.291M.

*Corporation’s Response:* The Human Resources Department has since written the eight employees advising them of the overpayment and the need for them to pay the relevant sums on or before 30 September 2016. Further, a notice will be published in the newspaper should they fail to make contact with the Corporation. Should the above options fail, then legal action will be taken against the employee, depending on if it is feasible.

*Recommendation:* The Audit Office recommends that the Corporation ensure that the employees honour their obligations in respect of penalties incurred for breaches in their Contractual Agreement. (2015/224)

#### Goods and Services

451. A total of thirty-one payment vouchers valued at \$66.169M for 2014 were not presented for audit examination. In the circumstance, the completeness, accuracy and validity of the payments could not be determined. In addition, it could not be determined whether all items paid for were received and properly brought to account in the records of the Corporation.

*Corporation’s Response:* The Corporation has indicated that source documents for twenty-nine vouchers totalling \$56.851M were located and efforts are continuing to locate the remaining two vouchers valued at \$9.319M.

*Recommendation:* The Audit Office recommends that the Corporation properly secured its records and present same for audit, when requested and make efforts to locate the remaining two vouchers. (2015/225)

#### Accounting for Expenditure

452. There was a breach of the provisions of Section 43 of the Fiscal Management and Accountability Act (2003) when the Corporation failed to refund to the Consolidated Fund thirteen cheques valued at \$19.941M that were drawn on the Appropriation Account for the year 2015. As such, the Appropriation Account would have been overstated by the said amount and at the time of audit inspection these cheques were still on hand at the Corporation. Details are listed in the table below:

Cheque Date	Cheque No.	Particulars	Amount \$'000
2015/08 /31	05-658177	Reimbursement of electricity at warehouse facility, Farm	1,829
2016/01 /07	05-722858	Ambulance (50% payment)	7,266
2015/10/30	05-681095	Maintenance fee-GPHC website	20
2015/11/06	05-683504	Development cost for GPHC website	75
2016/01 /07	05-722980	Repair leak outlets NCCU, etc	185
2016/01/07	05-722967	Oxygen	720
2016/01/07	05-722851	12000 BTU A/C unit Board secretary office	109
2016/01 /07	05-722550	36000 BTU A/C for Paeds I.C.U	452
2016/01/07	05-722900	PPR knee, tee, adaptor for water treatment plant	37
2016/01/07	05-722846	Life transfer PD set	935
2015/12 /31	05-713306	Water purification system 25% payment	1,003
2015/12/31	05-711847	Supply & installation of fuel meters (60% payment)	4,857
2015/10/30	05-680501	Electricity charges for warehouse facility, Farm	2,453
Total			19,941

*Corporation's Response:* The Corporation is working to have these payments resolved.

*Recommendation:* The Audit Office again recommends that the Corporation ensures that there is full compliance with the FMA Act 2003. (2015/226)

#### Stores and Other Public Property

453. The Corporation had not observed Stores Regulations and circularised instructions in relation to efficient controls, operations and proper maintenance for machinery, equipment and vehicles under its control. Circularized instructions and Section 29 of the Stores Regulation 1993, require that log books be maintained for all motor vehicles, plant, machinery and equipment owned and controlled by the Corporation. Audit examination of the Corporation's vehicles listing revealed that there were twenty-seven vehicles owned and controlled by the Corporation, of which seven were unserviceable and four were loaned to various entities. In addition, the following were observed:

- a. documentation of the loan of the four vehicles to other entities were not produced for audit examination;
- b. twenty-two log books were presented in respect of eight vehicles for the period under review; however, the log books presented were not written up in a continuous manner, in that more than one log book was used at the same time for a particular vehicle;
- c. the twenty-two log books presented as mentioned above were not properly written up by the operators, nor was there evidence of monitoring and/or supervisory checks done;
- d. log books for fifteen vehicles were not presented for audit examination, as such, it could not be ascertained whether all journeys undertaken were authorised and were in the public interest; and

- e. historical records for vehicles, equipment and machinery under the control of the Corporation were not maintained in accordance with Section 26, Form 16 of Stores Regulations 1993.

*Corporation's Response:* The Corporation has indicated that (a) two ambulances loaned to New Amsterdam and Linden Hospitals have since been returned and efforts are being made to have the remaining two vehicles returned; (b) it is working to improve this situation; (c) efforts are being made to ensure that there is proper monitoring of all vehicles; (d) action is being taken to have log books maintained for all vehicles; and (e) that historical records are being updated and would be presented for audit examination.

*Recommendation:* The Audit Office recommends that the Corporation ensures that all relevant records are maintained and updated periodically. (2015/227)

454. Physical verifications of drugs and medical supplies as well as other items of stock were carried out at Pharmacy Bond, Central Stores and at the New GPC Ruimveldt Offsite Bond during the month of July 2016, revealed the following:

Pharmacy Bond:

- a. Five hundred and fifteen types of drugs and medical supplies consisting of various quantities valued at \$29.040M were found to be expired. Also, there were several additional expired drugs of various quantities in boxes to be verified but staff at the Pharmacy Bond were reluctant to verify and peruse same; and
- b. there was no system in place to monitor drugs with short shelf life. Five types of drugs consisting of various quantities which will expire on 31 August 2016 were verified; however, the Pharmacy Bond staff were reluctant to identify more of the short shelf life drugs.

*Corporation's Response:*

- a. the Pharmacy Manager is working to disposed of these expired drugs and medical supplies very shortly.
- b. GPHC is working to implement a computerized system in the last quarter of 2016 to help in effectively monitoring this situation.

Central Stores:

- a. there were one hundred and ninety-eight types of drugs and medical supplies consisting of various quantities located at the Central Stores that have expired. Of these, only thirty-four types of drugs and medical supplies totalling \$480,590 could have been valued; the calculation of the value of the remainder of the drugs and medical supplies is currently ongoing; and
- b. overall, shortages were identified in 37% of the instances examined, while overage was 39% as shown below. The respective values of the shortages and excesses could not be ascertained.

Departments	Physical Count (Items)	Shortage	Overstock
Bio Medical	15	1	10
Suture	10	4	6
Radiology	20	5	8
Laboratory	23	14	5
Medical	24	9	15
Hardware	25	5	15
Ophthalmology	15	5	4
Stationery	30	10	10
Orthopedic	7	5	2
Cleaning	11	5	6
Dietary	30	15	2
Total	210	78	83

*Corporation's Response:* The Head of Budget Agency explained that:

- a. the Central Stores is working to disposed of these expired drugs and medical supplies, very shortly; and
- b. the Corporation is working towards the improvement of its operations with the implementation of a computerised inventory management system.

*Recommendation:* The Audit Office recommends that the Corporation (a) take appropriate measures to enable disposal of expired drugs and (b) ensures that its records are updated in a timely manner and periodic reconciliations are done between the records and actual items on hand. (2015/228)

*New GPC Ruimveldt Bond:*

- a. there were forty-five types of drugs and medical supplies consisting of various quantities valued at \$12.586M that have expired and three types consisting of quantities of 32,080 units which will expire on 31 August 2016; and
- b. the offsite bond has no formal means of communication to update, check, or keeping staff informed of the day to day changes.

*Corporation's Response:*

- a. the Pharmacy Manager is working to dispose of these expired drugs and medical supplies very shortly; and
- b. is examining the possibility of establishing a telephone line for staff within that Bond.

*Recommendation:* The Audit Office recommends that the Corporation take appropriate measures to enable the disposal of expired drugs and put systems in place to reduce instances of expired drugs and that the staffs have adequate means of communication. (2015/229)

Others

455. Twenty-one expense vouchers valued at \$5.565M were not presented for audit examination for the year 2014. As a result, the completeness, accuracy and validity of the payments could not be determined.

*Corporation's Response:* The Corporation has indicated that efforts are ongoing to locate the missing vouchers.

*Recommendation:* The Audit Office recommends that the Corporation renewed its efforts to locate these vouchers and have them presented for audit examination. (2015/230)

AGENCIES

48 - MINISTRY OF LABOUR, HUMAN SERVICES & SOCIAL SECURITY

49 - MINISTRY OF SOCIAL PROTECTION

456. The Ministry of Labour, Human Services and Social Security was in existence for the period 1 January to 31 August 2015, however, with effect from 1 September 2015, the Ministry has been renamed the Ministry of Social Protection.

Prior year matters, which have not been resolved

Current Expenditure

457. The Ministry was still to put mechanisms in place to improve certain operations of the Old Age Pension programme. As was reported in previous years, the database was still not updated on a regular basis. The Ministry continued to depend on the General Registrar's Office for the death return reports which is now submitted monthly in a disaggregated form. In addition, the Ministry has engaged the Ministry of Public Health for assistance as it relates to providing timely death returns to update the Old Age Pension Database

*Ministry's Response:* The Head of Budget Agency explained that the Ministry has engaged the Ministry of Public Health and the General Registrar's Office for assistance as it relates to providing timely death returns to update the Old Age Pension Database.

*Recommendation:* The Audit Office again recommends that the Ministry take urgent action to ensure that the database is updated in a timely manner. (2015/231)



### Capital Expenditure

458. The contract for the extension of the western section of building and the internal remodelling of enclosed offices and cubicles at Head Office was awarded to the lowest bidder in the sum of \$14.938M. The works were abandoned before the completion date of 4 November 2011. Payments were already made for the now outstanding works totalling \$1.226M. The retention amount of \$1.1M was kept by the Ministry, which still leaves a balance of \$126,000 to be refunded by the contractor. There was no evidence or correspondence that the Ministry wrote the contractor to refund the outstanding balance. However, on 3 February 2016, the Head of Budget Agency had written to the Finance Secretary requesting that the debt be written off.

*Ministry's Response:* The Head of Budget Agency explained that a reminder has been sent to the Finance Secretary on this matter.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency pursue the matter with the Finance Secretary to bring closure to this matter. (2015/232)

### Other Matters

459. The Imprest Bank Account was established to facilitate the operations of the Old Age Pension (OAP) Scheme and the Public Assistance (PA) Programme. The summary of the Account as at 31 December 2014 amounted to \$840M. According to the cash book, the imprest was increased from \$840M in November 2015 by \$320M given a new imprest sum of \$1.160 billion. The account summary as at 31 December 2015 is shown in the table below:

Description	Amount \$'000
Cash at Bank	45,930
Cash in Hand	0
Vouchers at Acct. General 2013	1,177
Vouchers at Acct. General 2015	765
Vouchers to process	126,832
Vouchers to enter	230,976
Adv O/S	3,296
Un-reconciled difference	156,246
GPOC	594,778
Total	1,160,000

460. According to the cash book summary as shown in the table above, the sum of \$594.778M was indebted by GPOC to the Ministry. However, it should be noted that an examination of the reconciliation statement from GPOC for December 2015 revealed that the Ministry was indebted to the Corporation in the sum of \$187.201M. Included in the sum of \$594.778M was the sum of \$990,000, which was in respect of fraudulent coupons. In addition, the reconciliation statement of the Imprest Bank Account No. 3191 continued to reflect an unreconciled difference of \$156.246M as at 31 December 2015.

*Ministry's Response:* The Head of Budget Agency explained that the unreconciled difference of \$156.246M remains the same as at 31 December 2015. The sum of \$990,000 which is shown as fraudulent coupons was a fraud perpetrated at the GPOC and as such is an amount owed to this Ministry. At the time of reporting in September 2016, vouchers totalling \$1.177M and \$765,000 in respect of 2013 and 2015 were subsequently cleared at the Accountant General's Department.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency take urgent action to reconcile GPOC's indebtedness for the Ministry and submit the results as well as the reconciliation in respect of the un-reconciled difference for audit scrutiny. (2015/233)

#### Current year matters, with recommendations for improvement in the existing system

##### Current Expenditure

###### Employment Cost

461. Cheque orders are required to be monitored and cleared within the stipulated time-frame of sixteen days after the date of issue through the submission of bills, receipts and other supporting documents. At the time of reporting, it was noted that eight cheque orders totalling \$4.536M remained outstanding for the year under review. As a result, it could not be ascertained whether the Ministry received full value for all monies expended.

*Ministry's Response:* The Head of Budget Agency explained that all the cheque orders outstanding are currently being addressed and efforts are being taken to have them retired.

*Recommendation:* The Audit Office recommends that the Ministry make a special effort to adhere to circularised instructions in relation to the clearing of cheque orders. (2015/234)

###### Goods and Services

462. Log books are required to be maintained for all vehicles, plant and equipment owned and/or operated by the Ministry. Log books were required to be maintained for twenty-five serviceable vehicles, plant and equipment. However, log books were only presented for nineteen. In addition, pertinent information such as the purpose of journey, odometer readings, signature of officer authorising journeys were not recorded in log books submitted for examination.

463. In accordance with Section 26 of the Stores Regulations 1993, historical records of vehicles, plant and equipment in Form 16 should be maintained. A total of eight historical records were not presented for audit verification. Given the circumstances, the Ministry would not be in a position to monitor the individual cost of repairs or determine whether it was economical to retain or dispose of certain vehicles.

*Ministry's Response:* The Head of Budget Agency explained that corrective actions have been taken on the matters highlighted in this section.

*Recommendation:* Audit Office recommends that the Head of Budget Agency ensures that log books are kept for each vehicle and that historical records are updated and supervisory checks carried out. (2015/235)

464. An examination of ninety-seven expense vouchers valued at \$18.622M for Line Items 6231 - Fuel and Lubricants and 6264 - Vehicle Spares and Services revealed that they were not stamped with the 'PAID' stamp as evidence that the transactions were completed, to prevent duplication of payments.

*Ministry's Response:* The Head of Budget Agency explained that the examination section normally stamps all vouchers with an "A Stamp" as indication that it was examined. Also the Ministry of Finance examination section would stamp with an "E Stamp", thus to prevent duplication. The implementation of the "PAID" stamp will be done shortly.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that all payment vouchers are cancelled with the "PAID" stamp to avoid duplication of payments. (2015/236)

#### Utility Charges

465. The sum of \$73.074M was expended under this account area for the year under review. Examination of the related documents/records revealed the following discrepancies:

- utility registers were not written up to date and were not properly maintained for the year under review. Pertinent information such as cheque numbers, payment voucher numbers and receipt numbers were not seen in some instances;
- in relation to the electricity charges register, the meter number for the Probation Department located in Lethem was not recorded; and
- an examination of the registers revealed differences between the amounts recorded in the registers and the amounts expended as per the Appropriation Account, as shown below:

Description	Amount as per Appropriation Account \$'000	Amount as per Registers \$'000	Difference \$'000
Telephone	27,581	25,597	1,984
Electricity	36,389	23,839	12,550
Water	9,104	2,832	6,272
Total	73,074	52,268	20,806

*Ministry's Response:* The Head of Budget Agency explained that:

- all pertinent information will now be available in the Utilities Registers.
- because of the small amount for Utility charges for Lethem, it was difficult for us to make small payments to the company because of its location. Hence, payment is being made through the bank via our Imprest Cash Book.
- the differences in the Utilities Register are correct due to the one-off payment made at the end of the year. Hence, we are in the process of updating our records to have this rectified.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency should ensure that all expenditures in respect to Utilities are properly recorded and periodic reconciliations done. (2015/237)

#### Stores and Other Public Property

466. The following breaches of the Stores Regulations were observed at the Ministry's Stores located at Cornhill Street:

- stock ledgers were not maintained by the Accounting Unit as a measure of control and to provide a basis for reconciliation; and
- gate passes were not used by the Stores as a means of verifying goods leaving the compound by security personnel.

*Ministry's Response:* The Head of Budget Agency explained that the above two records will be implemented as early as possible.

*Recommendation:* The Audit Office recommends that the Ministry take immediate steps to ensure that the Stores Regulations as it relates to the accounting for goods is complied with, in every respect. (2015/238)

#### Other Matters

467. The system of operations required that the Assistant Chief Probation and Social Security Officer request and uplift the books and stickers (Old Age Pension and Public Assistance) from the Stores; enter them into a Control Forms Register and upon requests issue to the respective Social Services Officers. However, an examination of the Control Forms register revealed the following:

- the balance of books on hand was not recorded;
- the requisition numbers were not recorded; and
- there were instances where Old Age and Public Assistance Books were recorded as issued but the signatures of the person uplifting the books were not seen..

*Ministry's Response:* The Head of Budget Agency explained that corrective action will be taken in keeping with the Auditor's recommendation.

*Recommendation:* The Audit Office recommends that the Head of Budget Agency ensures that there is full compliance at all times with existing regulations. (2015/239)

468. In relation to revenue, audit checks revealed that there was no segregation of duties since the Revenue clerk would write up receipt vouchers, deposit slips and also sign as the officer preparing and checking receipts.

*Ministry's Response:* The Head of Budget Agency explained that new signing instructions have already been implemented.

*Recommendation:* The Audit Office recommends that the Ministry institute measures to ensure full compliance with financial and other requirements set out in the statutes and circularised instructions. (2015/240)

469. Amounts totalling \$562,500 were expended for the purchase of labels for the Management Information Services Unit of the Ministry for the year under review. The labels which were attached to each Old Age and Public Assistance book would have details of the person's name, identification number, and address. The receipt of the labels was not recorded in the Stores records.

*Ministry's Response:* The Head of Budget Agency explained that corrective action will be taken to avoid any re-occurrence.

*Recommendation:* The Audit Office recommends that the Ministry take immediate steps to ensure that Stores Regulations as it relates to the accounting for items purchased is complied with, in every respect. (2015/241)

## Capital Expenditure

### Capital Purchases

470. The amount of \$44.600M was allocated for the purchases of chairs, desks, filing cabinets, computers, printers, intercom system, surveillance system, air conditioning units, fans, beds, refrigerators, stoves, wheelchairs, screens, table, water dispensers, blood pressure apparatus, glucometers, radios, fire extinguishers, bookshelves, fax machine, generator, furniture and equipment, washing machines and ovens for Child Care and Protection Agency, Mahaica Children's Home, Sophia Care Centre and Drop-in Centre. As at 31 December 2015, amounts totalling \$32.103M were expended under the relevant Line Items as shown below:

Line Item	Description	Amount Expended (\$'000)
25093	Office Equipment- Pol. Dev. & Admin.	8,980
25093	Office Equipment- Social Services	4,722
25094	Equipment- Social Services	4,784
24093	Office Equipment- Labour Administration	2,627
25094	Equipment- Labour Administration	3,906
25093	Office Equipment- Child Care and Protection	6,189
25094	Equipment- Child Care and Protection	895
Total		32,103

471. A physical inspection at the Mahaica Children's Home revealed that assets totalling \$499,488 were purchased. However, the items were not marked to be readily identified as property of the Ministry. This is in breach of Section 28 of the Stores Regulations 1993 which states that "the Permanent Secretary shall ensure that all permanent stores are properly marked so as to readily identify them as government property."

*Ministry's Response:* The Head of Budget Agency explained that these items will be marked shortly.

*Recommendation:* The Audit Office recommends that Ministry take immediate steps to ensure that the Stores Regulations as it relates to the marking of assets is complied with, in every respect. (2015/242)

AGENCY 52  
MINISTRY OF LEGAL AFFAIRS

Prior year matters, which have not been resolved

Current Expenditure

472. Part II, Section 3 of Act № 4 of 2013 made provision for the Deeds Registry to be established as the Deeds and Commercial Registries Authority, a corporate body with a Governing Board. The operations of the Authority commenced from 1 May 2014. Prior to this date, funds were allocated for the Deeds Registry under the Ministry of Legal Affairs. At the time of reporting in September 2016, the Financial Statements for the period 1 May 2014 to 31 December 2015 have been submitted to the Audit Office and the audit has commenced.

473. During the years 2010 – 2012, amounts totalling \$3.445M were outstanding in respect of rental paid by occupants of the First Federation Building, as shown below:

Year	Amount Outstanding \$'000
2010	917
2011	1,161
2012	1,367
Total	3,445

*Ministry's Response:* The Head of Budget Agency explained that there is only one occupant of the First Federation building and this is due to an action filed by him in the High Court. All other occupants have evacuated.

*Recommendation:* The Audit Office recommends that the Ministry continue to pursue the matter in the Court and an update on the status submitted to the Audit Office. (2015/243)

474. The Ministry has still been unable to recover net salaries totalling \$276,000 and deductions totalling \$42,000 overpaid to ten officers for the years 2009 and 2012, as shown below:

Year	№ of Officers Overpaid	Net Salary Overpaid \$'000	Deductions Overpaid \$'000	Total \$'000
2009	7	170	32	202
2012	3	106	10	116
Total	10	276	42	318

*Ministry's Response:* The Head of Budget Agency requested approval from the Finance Secretary for the overpayment of salaries to be written off as a loss since all efforts to have the amount repaid have proven futile.

*Recommendation:* The Audit Office recommends that the Ministry follow up with the Finance Secretary in order to bring closure to this matter. (2015/244)

Current year matter, with recommendation for improvement in the existing system

Capital Expenditure

Land & Water Transport

475. The sum of \$16.500M was allotted for purchase of vehicle and according to the Appropriation Account the full amount was expended. Audit examination of the requisite payment vouchers and other supporting documents revealed that on 8 October 2015, the National Procurement and Tender Administration Board (NPTAB) gave approval for the procurement of one 2015 Toyota Land Cruiser AX in the sum of \$16.500M from a local supplier. However, the sum of \$8.250M was paid to the supplier on 23 October 2015, but, was subsequently refunded to the Ministry. This amount was refunded to the Consolidated Fund on 9 February 2016. The balance of \$8.250M was also refunded to the Consolidated Fund on 22 February 2016. As a result, the Appropriation Account is overstated by \$16.500M.

*Ministry's Response:* The Head of Budget Agency explained that an inspection of the vehicle revealed that the vehicle was a used one instead of new. In this regard, a request was made for the supplier to refund the amount paid. Upon receipt of the refund, the full amount, together with the balance was refunded to the Consolidated Fund.

*Recommendation:* The Audit Office recommends that the Ministry put systems in place to prevent a recurrence. (2015/245)



AGENCY 53  
GUYANA DEFENCE FORCE

Prior year matters, which have not been resolved

Current Expenditure

476. The Guyana Defence Force (GDF) is required to clear cheque orders within sixteen days after their issue through the submission of bills, receipts and other supporting documents. However, there were six cheque orders totalling \$1.212M which remained outstanding for 2014. Similarly, for the year 2015 there were thirty-three cheque orders totalling \$82.642M, which was outstanding as at September 2016.

*Defence Force's Response:* The Head of Budget Agency explained that the GDF is committed to seeing the improvement of the system and all cheque orders cleared within the specified sixteen days period. There are six cheque orders totalling \$1.212M still outstanding for 2014 and thirty-three cheque orders totalling \$82.642M for 2015, of which three totalling \$7.445M are for local suppliers and the remainder overseas. The items are in the process of being supplied.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force continue the process of having these cheque orders cleared and ensure all items paid for are supplied in a timely manner. (2015/246)

477. Transactions relating to pay change directives for new appointments, resignations, retirements and dismissals were examined and it was observed that such directives were forwarded late to the Accounts Department of the Force. During the years 2011 to 2013 and 2015, net overpayment of salaries totalling \$1.090M and deductions totalling \$325,000 in respect of deductions were not recovered from the respective agencies, as shown in the table below:

Year	Overpayment		
	Net Salaries \$'000	Deductions \$'000	Total \$'000
2011-2012	424	188	613
2013	253	71	324
2015	413	66	478
Total	1,090	325	1,415

*Defence Force's Response:* The Head of Budget Agency explained that efforts were made to contact the persons that were overpaid in 2012-2013; however, no response was forthcoming. The Force remains committed towards recovering the overpaid salaries, as such advice is currently being sought from the Force's Legal Department. The officer, who was overpaid in 2015, repaid the sum of \$275,000 leaving a balance of \$137,772.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force continue to pursue the recovery of the amounts overpaid. (2015/247)

478. The contract for the rehabilitation of Artillery Barracks, Base Camp Stephenson – Timehri was awarded in the sum of \$1.962M and the full amount was paid to the contractor. Physical measurements that were taken on site revealed that the quantities for some of the items were over measured, resulting in overpayments totalling \$216,250 made to the contractor. This overpayment has not been recovered to date. The Force by way of letter dated 12 January 2016, wrote the Finance Secretary requesting the write off of the overpayment, since the contractor is now deceased.

*Defence Force's Response:* The Head of Budget Agency explained that the Force is seeking advice from its Legal Officer on this matter.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force continue to pursue the recovery of the overpayment. (2015/248)

479. The Guyana Defence Force has still not taken the necessary steps to have all of its employees registered with the National Insurance Scheme (NIS). In my 2014 report, it was reported that there were thirty-three employees who were not registered with the NIS and one hundred and forty-six had temporary numbers. A similar situation was noted in 2015, whereby there were thirty-five employees who were not registered and therefore were without NIS numbers, while three hundred and two had temporary numbers. Even though, the GDF took action to have some persons registered and others receive permanent numbers, there continued to be delays in having the new recruits registered.

*Defence Force's Response:* The Head of Budget Agency explained that the Force is committed to having its members compliant. In this regard, efforts are being made to have persons with temporary numbers allocated permanent numbers. The persons with temporary numbers were informed of the requirement to have their numbers regularized. This process is an ongoing one, to ensure that employees are compliant.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force expedite this process. (2015/249)

480. It was also noted that the Guyana Defence Force has still not taken the necessary steps to have all of its employees registered with the Guyana Revenue Authority (GRA). In my 2014 report, it was reported that there were three hundred and thirty-nine employees who were without Tax Identification Numbers. A similar situation was noted in 2015, whereby there were two hundred and eighty employees without Tax Identification Numbers. Even though the GDF took action to have some persons registered there continued to be delays in having the new recruits registered with the Guyana Revenue Authority.

*Defence Force's Response:* The Head of Budget Agency explained that efforts are still being made to have the issue addressed. A recent exercise was conducted with the GRA through the Ministry of Finance and it revealed that the GDF has two hundred and eighty persons with missing TIN information. The information would be submitted to the Finance Department for addition to the payroll. Additionally, a list is being compiled for the persons with missing TIN, in order for GRA to provide the TIN in their system for these persons.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force expedite this process. (2015/250)

481. Amounts totalling \$4.120 billion were expended for the procurement of goods and services. Included in the sum were amounts totalling \$532.947M, which were expended on Fuel and Lubricants. Circularized instructions and Section 29 of the Stores Regulations 1993, require that "log books in Form 17 shall be maintained for all motor vehicles, plant, machinery and equipment." However, log books were not presented for all the vehicles under the control of the Force which required such records to be maintained. A similar situation existed in 2014 As a result, we were unable to determine whether:

- a. the journeys undertaken were properly authorised;
- b. effective control was exercised over their use; and
- c. the quantity of fuel and lubricants utilised and the repairs and maintenance costs expended on each vehicle.

*Defence Force's Response:* The Head of Budget Agency explained that log books were still being collected from interior locations.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force put systems in place to ensure that all log books are submitted for audit. (2015/251)

#### Current year matters, with recommendations for improvement in the existing system

##### Current Expenditure

##### *Cheques on hand*

482. At the time of reporting in September 2016, there were eleven stale dated cheques totalling \$67.251M were on hand. Included in the eleven cheques are two cheques totalling \$66.331M for the purchase of uniform material and seven single cab 4 X 4 pick-ups. These cheques should have been refunded to the Consolidated Fund in keeping with the requirements of Section 43 of the Fiscal Management and Accountability Act and the necessary adjustments made to the books of accounts. However, since this was not done, the Appropriation Account was overstated by the said sum.

*Defence Force's Response:* The Head of Budget Agency explained that the approval of the Defence Board has been obtained and Cabinet Approval is in process for the sum of \$19.140M.

*Recommendation:* The Audit Office recommends that the Administration of the Force ensure that there is full compliance with the FMA Act. (2015/252)

### Stores

483. The Guyana Defence Force continued to be in breach of the Stores Regulations. Examination of the Stores records and a physical verification exercise at the Stores revealed several unsatisfactory features as follows:

- i. forty-five bin cards were last updated in 2014 in the Force's bond;
- ii. large quantities of unserviceable items were generally kept with other items of stock instead of a separate storage facility;
- iii. a register for unserviceable items was not maintained;
- iv. the bond was congested, large quantities of items were not labeled and displayed on shelves, but were kept in unmarked boxes on the floor. As a result, it was difficult to identify items for physical verification purposes; and
- v. a register of Government buildings under the control of the Force was not presented for audit.

*Defence Force's Response:* The Head of Budget Agency explained that:

- i. the force is in the process of updating the bin cards;
- ii. there is inadequate storage facility. Efforts are being made to have additional shelves placed in the main storage to assist in alleviating this challenge;
- iii. a register has since been put in place with immediate effect;
- iv. there is inadequate storage facility. Efforts are being made to have additional shelves placed in the main storage to assist in alleviating this challenge;
- v. efforts are being made to create a Building Asset Register. Buildings will be marked with respective numbers.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force ensure that there is full compliance with the Stores Regulations 1993. (2015/253)

## Other Matters

### Inventory

484. The Guyana Defence Force did not adhere fully to Section 24 of the Stores Regulations 1993 in that, it failed to maintain a Master Inventory of all assets of the Force. In addition, although sectional inventories were maintained for all departments and/or sections within the Force, they were not updated for the years 2013 to 2015 to record items acquired during these years. A physical verification of the assets purchased during 2015, revealed that the assets were not marked to readily identify them as the property of the Force.

*Defence Force's Response:* The Head of Budget Agency explained that because the Stores System is being computerised, the GDF is in the process of having a Computerised Master Inventory.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force ensure that there is full compliance with the Stores Regulations 1993. (2015/254)

## Capital Expenditure

### Buildings GDF

485. The sum of \$186.500M was allotted for the (i) completion of cadet officers' dormitory at Base Camp Stephenson and engineer's office at Timehri, (ii) construction of ablution block at Tacama and fence at Mabaruma, (iii) upgrade of facilities at Camp Stephenson and Ayanganna, and (iv) provision of electrical upgrade and perimeter lights at Base Camp Stephenson and Ayanganna. As at 31 December 2015, amounts totalling \$186.484M were expended as follows:

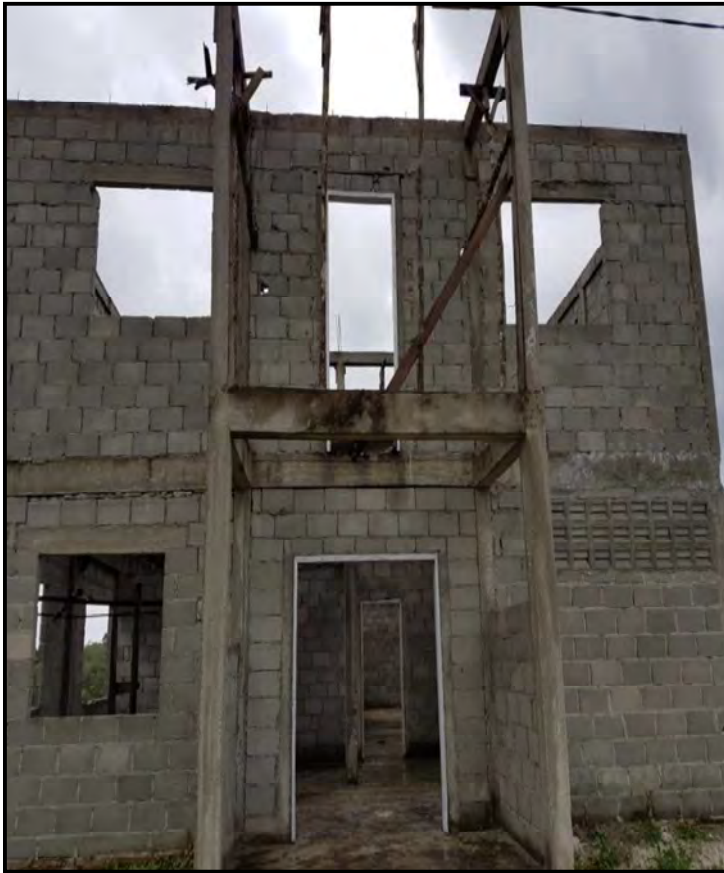
Description	Amounts \$'000
Warrant to CJIA	63,000
Purchase of Equipment	21,837
Purchase of wood	18,948
Construction of Mess Hall Air Corps, Timehri	12,336
Purchase of pipe fittings	12,061
Purchase of cement and sand	11,871
Purchase of furniture	11,017
Rehabilitation of barrack Base Camp Kanuku	9,942
Rehabilitation of canteen area Camp Stephenson	8,651
Purchase of Electrical items	5,585
Installation of lights Base Camp Ayanganna	4,982
Rewiring of hangar Base Camp Stephenson	4,229
Purchase of paint and curtains	2,025
Total	186,484

486. The contract for the completion of the Kitchen Mess Hall building at Air Corps, Timehri was awarded to the lowest of ten bidders in the sum of \$12.495M. As at 31 December 2015, amounts totalling \$12.336M were paid to the contractor. A physical verification of the works carried out on 7 September 2016 revealed that the contractor has de-mobilized from the site and the works appeared to have been abandoned. Physical measurements taken on site and calculations revealed that the sum of \$6.573M was overpaid to the contractor (*see figure 11*), as detailed below:

Item №	Description	Amount \$'000
4.5-4.7	Plastering	488
5.1-5.2	Main roof	1,314
6.1-6.3	Timber first floor	335
6.6-6.10	Roofing	1,253
6.11-6.12	Ceiling	612
6.13-6.15	Doors	275
7.1-7.4	Cold water installation	188
7.5-7.10	Sanitary installation	460
8.1-8.12	Electrical installation	1,025
9.1-9.2	Windows	623
Total		6,573

*Defence Force's Response:* The Head of Budget Agency explained that the contractor was contacted and a formal letter would be sent to him with regards to this liability. The Defence Force is engaging the contractor to complete the outstanding works as first priority. All outstanding works are expected to be completed in two months. The Force is taking measures to ensure that all works are completed as per contract document and repayment is made where necessary.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force take immediate action to recover the amount overpaid. In addition, the force must ensure that completed works are accurately measured and quantified before payments are made to contractors for works completed. (2015/255)



**Figure 11**

**Guyana Defence Force (GDF)**

Contract: Construction of Kitchen Mess Hall and Accommodation,  
Phase 11

Full payment received for roof, plastering, ceiling, doors, windows,  
plumbing & electrical installations

**Total Overpayment G\$6,573,900**

487. The contract for the rehabilitation of Barrack, Base Camp Kanuku was awarded to the sole bidder in the sum of \$9.966M and as at 31 December 2015, amounts totalling \$9.942M were paid to the contractor. A physical verification of the works carried out on 7 September 2016, revealed that the contractor has de-mobilized from the site and the works appeared to have been abandoned. Physical measurements taken on site and calculations revealed that the sum of \$2.374M was overpaid to the contractor, as detailed below:

Item №	Description	Amount \$'000
4.7-4.10	Doors	489
6.1-6.12	Electrical works	1,137
7.1-7.6	Gutters and down pipes	262
7.7-7.13	Cold water installation	326
9.2	windows	80
9.3	Additional works	80
Total		2,374

*Defence Force's Response:* The Head of Budget Agency explained that the contractor is presently working on the building and all works are expected to be completed in three weeks.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force take immediate action to recover the amount overpaid. In addition, the force must ensure that completed works are accurately measured and quantified before payments are made to contractors for works completed. (2015/256)

488. The contract for the rehabilitation of Canteen Area, Camp Stephenson was awarded to the lowest of ten bidders in the sum of \$8.657M and amounts totalling \$8.651M were paid to the contractor as at 31 December 2015. A physical verification of the works was carried out on 7 September 2016 and based on physical measurements taken on site and calculations, it was revealed that the sum of \$262,000 was overpaid to the contractor, as detailed below:



Item	Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid \$
6.1	Provide and install the following: 120 V duplex outlet (ivory)	12	11	No	1	2,000	2,000
	10 Amp switch as follows:						
6.4	2 - gang	4	1	No	3	4,000	12,000
6.5	3 - gang	4	0	No	4	4,500	18,000
6.6	4' surface recessed single fluorescent lamp 220 V 60 Hz complete with housing	16	3	No.	13	10,000	130,000
6.10	Provisional sum for unforeseen works to be used at the discretion of the Engineer	1	0	Sum	1	100,000	100,000
Total							262,000

*Defence Force's Response:* The Head of Budget Agency explained that the contractor was contacted and a formal letter would be sent to him with regards to this liability. The contractor has indicated his willingness to commence work immediately and installed the items listed. The Force is taking measures to ensure that works are completed as per contract document.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force take immediate action to recover the amount overpaid. In addition, the force must ensure that completed works are accurately measured and quantified before payments are made to contractors for works completed. (2015/257)

489. In addition, audit examination of the payment documents revealed that the description of works in Bill No. 11, Additional Works was modified by the contractor in the valuation submitted for payment. The item is recorded in contract as painted sheeting while the valuation submitted for payment has unpainted roof sheeting. Also, there was no change to the rate of the item, despite the use of unpainted Roof Sheeting instead of painted; as a result, the contractor was paid in full for supplying and installing the unpainted Roof Sheeting.

Item	Original Contract	Contractor Valuation
5.1	Provide and fix 28 gauge factory painted corrugated roof sheeting with 12" end laps and one and a half corrugation side laps allow for galvalum self fasteners and neoprine washers	Provide and fix 28 gauge factory unpainted corrugated roof sheeting with 12" end laps and one and a half corrugation side laps allow for galvalum self fasteners and neoprine washers
5.2	Provide ,cut, shape and fix 30" girth 28 gauge factory painted industrial profile flashing; allow for 12" laps	Provide ,cut, shape and fix 30" girth 28 gauge factory unpainted industrial profile flashing; allow for 12" laps

*Defence Force's Response:* The Head of Budget Agency explained that the prices for the zinc sheets will be pro-rated and this contractor will repay the difference. The Force will ensure that all contract changes are documented and reflected on the payment schedules.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force put systems in place to ensure that changes to signed contracts are duly authorised and agreed. (2015/258)

*Air, Land and Water Transport*

490. The sum of \$154.400M was allotted for the provision of vehicles, boats, trucks, motor cycles and ATVs and as at 31 December 2015, amounts totalling \$154.393M were expended as follows:

Description	Quantity	Amounts \$'000
Purchase of motor vehicles	13	79,981
Purchase of boats	6	69,340
Supply of outboard motors	3	5,072
Total	22	154,393

491. However, one cheque in the sum of \$47.191M for the purchase of seven single cab 4 X 4 pick-ups was still on hand as reported earlier.

492. The remaining six vehicles were recorded on the list of vehicles presented, and were physically verified as having been received by the Force. However, it was noted that the registration numbers on three of these vehicles differed from that stated on the certificates of vehicle registration presented.

*Defence Force's Response:* The Head of Budget Agency explained that the Force is in the process of having the certificates of registration changed.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force submit the correct certificates of registration to the Audit Office for verification. (2015/259)

Pure Water Supply

493. The sum of \$30.500M was allotted for (i) construction of well at Base Camp Stephenson, Timehri, (ii) provision of elevated storage at Camp Seweyo, Linden/Soesdyke Highway, and (iii) the purchase of water pumps and tanks to improve water supply. As at 31 December 2015, amounts totalling \$30.436M were expended as follows:

Description	Amounts \$'000
Reactivation of Timehri № 4 well and upgrade of booster station	17,500
Construction of water storage facility, Base Camp Seweyo	7,003
Replacement of water pumps at Base Camp Ayanganna	5,694
Supply of pressure pumps	239
Total	30,436

494. The contract for the reactivation of Timehri № 4 well and upgrade of booster station was awarded by National Procurement and Tender Administration Board to the second lowest of three bidders in the sum of \$25.353M, while the Engineer's estimate was \$41.560M. The sum of \$17.500M was paid to the contractor on 31 December 2015 and the Finance Secretary granted approval for multi-year contract.

495. The contract for the construction of a reinforced concrete water trestle, installation of storage tanks and plumbing works at Base Camp Seweyo, Linden Soesdyke Highway, Region №.4 was awarded to the lowest of three bidders in the sum of \$7.008M and as at 31 December 2015, amounts totalling \$7.003M were paid to the contractor. A physical verification of the works was carried out on 6 September 2016, and based on the physical measurements taken on site and calculations, overpayments totalling \$348,000 were made to the contractor, as shown below:

Item	Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid \$
3.12	Reinforcement Provide and place No. 65 BRC Fabric to floor of terrace	56	38	sq.yd	18	2,000	36,000
7.1	Plaster Works Provide and place 1/2" thk cement/sand plaster (1:3 mix) to all new faces of new works	156	0	sq.yd	156	2,000	312,000
Total							348,000

*Defence Force's Response:* The Head of Budget Agency explained that the contractor was contacted and a formal letter would be sent to him with regards to this liability. This contractor has indicated his willingness to commence work immediately and complete the outstanding works. The Force has taken measures to ensure that works are completed as per contract document and repayment is made where necessary.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force take immediate action to recover the amount overpaid. In addition, the Force must ensure that completed works are accurately measured and quantified before payments are made to contractors for works completed. (2015/260)

#### Agriculture Development

496. The sum of \$5M was allotted for rehabilitation of pens and as at 31 December 2015, amounts totalling \$4.989M were expended. The contract for the works was awarded to lowest of eleven bidders in the sum of \$4.013M and the full amount was paid to the contractor. The difference of \$976,000 was expended on the procurement of wood and zinc sheets. A physical verification of the works was carried out on 6 September 2016, and based on physical measurements taken on site and calculations, it was revealed that the sum of \$1.346M was overpaid to the contractor, as shown in the table below:

Item No	Description	Amount \$'000
2.6-2.12	Pen No.4	131
3.1-3.11	Pen No.1	417
3.12-3.16	Pen No. 5 and 6	439
AW 5.3-5.4	Pen No.4	179
AW 5.9-5.11	Pen No.1	60
AW 5.30	Pen No.8	120
Total		1,346

*Defence Force's Response:* The Head of Budget Agency explained that the contractor was contacted and a formal letter would be sent to him with regards to this liability. The contractor has indicated his willingness to complete the works as per contract. The works will be completed in two weeks. The Force is taking measures to ensure that works are completed as per contract documents.

*Recommendation:* The Audit Office recommends that the Administration of the Defence Force take immediate action to recover the amount overpaid. In addition, the force must ensure that completed works are accurately measured and quantified before payments are made to contractors for works completed. (2015/261)

Contingency Fund Advance Warrants (CFAW)

497. Five advances in the sum of \$410M were received from the Contingencies Fund during the year and amounts totalling \$409.806M were expended. Details are shown in the table below:

CFA No.	Amount Received \$'000	Amount Expended \$'000	Purpose
8/2015	120,000	119,996	Purchase of kit and equipment for Exercise Green Heart and continued payment for medical services for our officers and ranks
9/2015	100,000	99,915	Dietary-to provide adequate feeding of troops for routine and exercise Green Heart due to strength increase
10/2015	120,000	119,934	Payment to contractors for rental of air, sea and land transportation
11/2015	10,000	9,982	Payment for security light for training area and maintenance of pool for training of officers and ranks
12/2015	60,000	59,979	Repairs and maintenance of vehicles for continued mobility of the Force
Total	410,000	409,806	

498. However, audit examination of the payment vouchers and other supporting documents revealed that amounts totalling \$113.246M were expended from CFAW No 8/2015 on the purchase of items which were not included in the purpose of the advance such as, purchase of beverage, utensils, ledger, broiler chicks, swine starter, broiler grower and sewing of uniforms.

*Defence Force's Response:* The Head of Budget Agency explained that the items purchased were utilised for Exercise Green Heart.

*Recommendation:* The Audit Office recommends that the Defence Force utilise funds in respect of Contingency Fund Advances for the purpose they were granted. (2015/262)

AGENCIES  
51 – MINISTRY OF HOME AFFAIRS  
54 - MINISTRY OF PUBLIC SECURITY

499. The Ministry of Public Security is a new Agency which replaced the Ministry of Home Affairs. As such, expenditure for the first eight months (January-August) was budgeted for under Agency 51 – Ministry of Home Affairs, while the last four months (September to December) was budgeted under the new Agency 54 – Ministry of Public Security.

Prior year matters which have not been resolved

Current Expenditure

500. A total of forty-five transactions were examined in 2009 in relation to pay change directives for new entrants, resignations, retirement, dismissals and transfers for three of the five accounting areas. Of these, there were five instances where such directives were forwarded late to the Central Accounting Unit of the Ministry, resulting in overpaid salaries totalling \$604,020 to six employees. The Ministry was successful in curtailing overpayment of salaries and has recovered \$374,899 from four employees during the year 2012 and 2013. However, the death of the other two in September 2009 and July 2010 to whom salaries totalling \$347,833 were overpaid, forestalled the recovery of the sum.

501. On 19 September 2016, the Ministry wrote the Finance Secretary requesting the write off of the sum of \$100,733 overpaid to one of the deceased on the grounds that, Probate passed since 10 May 2010 in the High Court of Supreme Court of Judicature stated that the assets of the deceased amounted to \$200,000, which was bequeathed to his wife. The Ministry has since submitted copies of the death certificate of the other individual mentioned to the Finance Secretary.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is still awaiting a response from the Finance Secretary.

*Recommendation:* The Audit Office recommends that the Ministry continue to pursue the matter with the Finance Secretary. (2015/263)

## Capital Expenditure

502. The Ministry was unable to finalize the 2005 matters concerning payments made to acquire two stallions which had a total value of \$1.022M. Although the Registrar of the Supreme Court was engaged, the attempts proved futile. The supplier was criminally charged and the sum of \$50,000 was recovered. The supplier subsequently died on 6 June 2011; thus, a letter was written to the Ministry of Finance on 1 October 2013 requesting the outstanding balance of \$971,800 to be written off. However, in February 2016, the Finance Secretary denied the request for write off on the grounds that there was no supporting documentation to verify that all avenues were explored to recover the amounts owed. The Ministry has since submitted a copy of the death certificate of the individual mentioned to the Finance Secretary.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry is still awaiting a response from the Finance Secretary.

*Recommendation:* The Audit Office recommends that the Ministry continue to pursue the matter with the Finance Secretary. (2015/264)

503. The National Procurement and Tender Administration Board (NPTAB) awarded the contract for the construction of the New Capital Dormitory, at the Georgetown Prisons to the lowest bidder in the sum of \$24.654M in 2007. However; the contract was terminated on 31 October 2008 after amounts totalling \$21.423M were paid to the contractor. The reason for the termination of the contract was stated as extreme lack of diligence on the part of the contractor. An assessment of the completed works revealed that the contractor was overpaid \$10.410M.

504. In this regard, the Ministry levied on a Performance Bond of \$12.237M, which was held with the now defunct insurance firm Colonial Life General Company Limited (CLICO). However, the Performance Bond Agreement had expired on 7 June 2009. On 17 January 2011, the Ministry was able to recover the sum of \$7.008M from the proceeds of the \$12.237M Bond and the balance on the overpayment in the sum of \$3.402M was sought. Evidence was seen where the Ministry wrote the Ministry of Legal Affairs seeking assistance and advice for the institution of legal proceedings against the contractor. A reminder was sent to the Ministry of Legal Affairs on 12 February 2015 in an effort to conclude this matter. No further action was taken since by the Ministry.

*Ministry's Response:* The Head of Budget Agency explained that the matter was addressed in the High Court and dismissed on the grounds that by signing the release letter the Ministry forfeited any further payment.

*Recommendation:* The Audit Office recommends that the Ministry submit the required losses report to the Finance Secretary with a view to bringing closure to this matter. (2015/265)

505. The Ministry was still to recover overpayments made on the remedial works to the floor, walls, roof, windows and doors at the Albion Police Station in 2010 in the sum of \$3.504M. The Ministry had written to the project consultant for a resolution of the matter, and the contractor has accepted liability. In July 2015, the Ministry had recovered \$50,000 from the contractor leaving an amount of \$3.454M still to be recovered. A letter was also written to the Ministry of Legal Affairs on 11 February 2015 for legal advice in recovering the amount. However, on 2 July 2015 the contractor wrote the Ministry accepting the overpayment and gave commitment that the sum overpaid would be repaid soon. At the time of reporting in September 2016, the sum of \$3.454M still remained outstanding.

*Ministry's Response:* The Head of Budget Agency explained that the contractor has agreed in writing to repay the sum overpaid.

*Recommendation:* The Audit Office recommends that the Ministry continues to pursue the matter and ensure the sum overpaid is recovered. (2015/266)

506. The contract for the rehabilitation of Kamarang Police Station was awarded in 2010 in the sum of \$3.348M and during that year amounts totalling \$2.391M were paid on certified works. A subsequent payment of \$697,150 in the year 2012 increased disbursements under the contract to \$3.088M. An inspection of the works in that year revealed that a total overpayment of \$1.273M had occurred as a result of twenty discrepancies in measured works. The Ministry was able to clear to the satisfaction of Audit Office an amount of \$272,750, leaving a balance of \$1M, still to be recovered.

507. In this regard, a letter was written by the contractor to the Ministry stating that the outstanding balance owed by him will be settled by the Guyana Defence Force. On 24 July 2015, the Accounting Officer of the Guyana Defence Force wrote the Ministry indicating that the sum owing would be repaid when liability is approved from the Ministry of Finance. Notwithstanding this, during September 2016, the Guyana Defence Force wrote the Ministry stating that the Force has honored all outstanding indebtedness to the contractor. At the time of reporting in September 2016, the balance of \$1M was still to be recovered.

*Ministry's Response:* The Head of Budget Agency explained that the Ministry received a letter from the Guyana Defence Force which stated that the entire sum owed to the contractor by the Force was paid to him. Efforts are currently being made to locate the contractor.

*Recommendation:* The Audit Office recommends that the Ministry continues to pursue the matter and ensure the sum overpaid is recovered, since the Guyana Defence Force had honoured its obligations to the contractor. (2015/267)

508. Capital items valued at \$78.271M were purchased under various accounting areas during 2014. However, at the time of reporting in September 2016, one industrial washer and one industrial dryer valued at \$7.542M which were purchased for the Guyana Prison Service were still not received.



*Ministry's Response:* The Head of Budget Agency explained that the Ministry is awaiting the shipment of the washer and dryer from the supplier.

*Recommendation:* The Audit Office recommends that the Ministry continues to pursue the matter and ensure the items are delivered. In addition, systems should be put in place to ensure there is no recurrence. (2015/268)

Current year matters, with recommendations for improvement in the existing system

Capital Expenditure

*Citizen Security Strengthening Programme*

509. On 19 February 2015, the Government of Guyana (GOG) and the Inter-American Development Bank (IDB) signed an agreement whereby the IDB agreed to provide a loan of US\$15M for the reduction in the level of crime, violence and insecurity and to improve operational efficiency. The sum of G\$25M was allotted in 2015 and amounts totalling G\$1.941M were expended for (i) community crime and violence prevention, (ii) strengthening Guyana Police Force crime prevention and investigation capacity, and (iii) strengthening Guyana Prison Services rehabilitation and social reintegration services. The completion date for all activities under the Programme is five years after the date of the agreement. The project is subject to separate financial reporting and audit. It was noted that the Government of Guyana fulfilled conditions prior to first disbursement on 22 November 2015 and the first disbursement (an advance of US\$200,000) was disbursed on 22 December 2015. In this regard, on 30 March 2016, the IDB granted it's no objection for a waiver of the audit of the Financial Statements for the year 2015.

*Citizen Security Programme II*

510. According to the Non-Reimbursable Technical Cooperation №. ATN/OC-14259-GY signed on 13 March 2014, between the Government of Guyana (GOG) and the Inter-American Development Bank (IDB), the IDB and GOG entered into an agreement whereby the IDB agreed to provide the sum of US\$1.671M and GOG the sum of US\$167,000, bringing the total commitment to US\$1.838M. The aim of the Programme is to support the preparation for security strategy. The period of execution was stipulated as thirty-six months from the effective date of the Agreement. According to the Appropriation Account, amounts totalling G\$10M were expended. The project is subject to separate financial reporting and audit.

*Land and Water Transport*

511. The sum of \$246.300M was allotted for the purchase of vehicles, water tenders, trucks, motorcycles, outboard engines, bicycles and boats. Amounts totalling \$169.680M were expended as shown in the table below:

Description of Expenditure	Amount \$'000
Purchase of vehicles, motor cycles, outboard motors, boats - Police	127,664
Purchase of vehicle - Prison	5,400
Purchase of water tenders - Fire	36,616
Total	169,680

512. The table below gives details of the expenditure in respect of the purchase of vehicles, motor cycles, outboard motors and boats for the Guyana Police Force.

Item	Quantities	Amount \$'000
Motor Cars, trucks, mini buses & flash lights	27	104,035
Motor cycles	8	9,420
Outboard Motors	5	6,935
All Terrain Vehicles (ATV)	3	4,440
Boats	5	2,834
Total		127,664

513. The sum of \$104.035M represented payment for vehicles, and twenty red and blue flash lights for the Guyana Police Force. The contract for the supply of the vehicles was awarded to the lowest of five bidders in the sum of \$152.635M and on 31 December 2015, the Finance Secretary granted approval for a multi-year contract. However, it was noted that two cheques totalling \$104.035M were drawn during 2015 and one in the sum \$52.017M was paid to the supplier. At the time of reporting in September 2016, the other cheque in the sum of \$52.017M was still on hand at the Ministry and has since become stale-dated. Notwithstanding this, all the vehicles were received by the Ministry.

Ministry's Response: The Head of Budget Agency explained that the cheque will be updated and paid to the supplier.

*Recommendation:* The Audit Office recommends that the Ministry put systems in place to ensure there is no recurrence. (2015/269)

514. The sum of \$2.834M was recorded as payment to three suppliers for the supply of five (5) Balahoo boats. However, audit examination of the payment vouchers and other supporting documents revealed that the three cheques totalling \$2.834M were en-cashed by the Guyana Police Force and advance payments in cash totalling \$400,000 were made to two of the three suppliers. At the time of reporting, two of the five boats were supplied and amounts totalling \$909,200 were paid to the supplier. However, the remaining three boats with a cost of \$1.925M were still to be received.

515. In addition, the remaining cash in the sum of \$1.725M was still on hand at the Police Finance Section. The cash should have been refunded to the Consolidated Fund in keeping with the requirements of Section 43 of the FMA Act and the necessary adjustments made to the books of accounts. However, since this was not done, the Appropriation Account was overstated by this amount.

*Ministry's Response:* The Head of Budget Agency explained that the three boats will be supplied during the last quarter of 2016.

*Recommendation:* The Audit Office recommends that the Ministry ensures that there is full compliance with the FMA Act. (2015/270)

#### Furniture and Equipment

516. The sum of \$281.540M was allotted for the purchase of items including fingerprint, ballistic, photographic, handwriting, communication, narcotics, traffic and musical equipment. Amounts totalling \$216.171M were expended during the year. At the time of reporting in September 2016, items to the value of \$13.574M were still to be received from five suppliers.

517. In addition, three cheques valued at \$4.684M for the purchase of items including twenty-two air conditioning units and five computer systems which were all dated 31 December 2015 were still on hand and have since become stale-dated. These cheques should have been refunded to the Consolidated Fund in keeping with the requirements of Section 43 of the FMA Act 2003 and the necessary adjustments made to the books of accounts. However, since this was not done, the Appropriation Account was overstated by this amount.

*Ministry's Response:* The Head of Budget Agency explained that the items will be received by 30 November 2016. In addition, the Ministry will ensure full compliance with the FMA Act.

*Recommendation:* The Audit Office recommends that the Ministry ensures that all items purchased are received in a timely manner and are subjected to audit verification. In addition systems must be implemented to ensure that there is full compliance with the FMA Act. (2015/271)

#### Special Investigation

518. The Audit Office in collaboration with the Guyana Police Force was conducting an investigation into twenty-three transactions amounting to \$22.556M for the year 2015. Up to the time of reporting in September 2016, the Ministry did not submit thirteen payment vouchers amounting to \$15.671M. The following two tables provide summaries of the transactions by type, based on the payment description and month, respectively:

№	Description of Transactions	Payment Vouchers				Total	
		Seen	Amount \$'000	Not Seen	Amount \$'000	PVs	Amount \$'000
1	Purchase of items for Community Policing	-	-	2	5,036	2	5,036
2	Payment for printing and binding of documents	5	2,936	2	1,529	7	4,465
3	Purchase of items for Ministry	-	-	3	3,332	3	3,332
4	Miscellaneous	-	-	2	2,876	2	2,876
5	Payment for advertisements	2	2,522	-	-	2	2,522
6	Purchase of items for Holding Centre	-	-	1	1,815	1	1,815
7	Refunds	2	1,095	-	-	2	1,095
8	Purchase of refreshments	1	332	3	1,083	4	1,415
Total		10	6,885	13	15,671	23	22,556

№	Months	Payment Vouchers				Total	
		Seen	Amount \$'000	Not Seen	Amount \$'000	PVs	Amount \$'000
1	April	3	2,390	-	-	3	2,390
2	May	2	1,892	1	193	3	2,085
3	June	3	1,508	-	-	3	1,508
4	July	-	-	1	739	1	739
5	November	1	919	8	12,507	9	13,426
6	December	1	176	3	2,232	4	2,408
Total		10	6,885	13	15,671	23	22,556

519. One Officer has been charged with embezzlement in relation to the sum of \$919,000 of the \$1.095M shown as Refunds, and the matter is currently attracting the attention of the Courts.

## Programme 2 – Guyana Police Force

### Prior year matters, which have not been resolved

#### Current Expenditure

520. The Guyana Police Force is still to recover outstanding amounts totalling \$2.307M, which were overpaid to employees of the Force for the years 2010 - 2012. The process of recovering the overpaid amounts was exceedingly slow, even though there was evidence of efforts being made to recover the amounts. To date only amounts totalling \$451,413 were recovered over the years 2012, 2013 and 2014.

*Police Force's Response:* The Finance Officer explained that the Force is still making every effort to recover the outstanding monies. Letters of reminders were sent to all concerned of their indebtedness to the state and the intended action of the Guyana Police Force.

*Recommendation:* The Audit Office recommends that the Administration of Guyana Police Force continue to take the necessary follow-up action to recover the overpayments. (2015/272)

521. In accordance with Section 26 of the Stores Regulations 1993, historical records of vehicles, plant and equipment in Form 16 should be maintained. A total of 365 historical records were presented for audit verification. However, audit examination revealed that they were partially updated with details of maintenance cost. This situation existed in previous years. Given the circumstances, the Force would not be in a position to monitor the individual cost of repairs or determine whether it was economical to retain or dispose of certain vehicles.

*Police Force's Response:* The Finance Officer explained that efforts are ongoing to have the records updated and presented to the Auditors.

*Recommendation:* The Audit Office recommends that the Administration of Guyana Police Force take appropriate action to ensure historical records are maintained for all motor vehicle and equipment under its control. (2015/273)

522. A cash survey carried out at the Leonora Police Station revealed that there was a shortage of \$7.396M from the bail, exhibits and extra duty fees collected for the period April 2013 to August 2014. The officer responsible for the collection of revenue at the station was placed on open arrest and investigations are continuing. This officer was interdicted from duty and placed on half pay with effect from 18 November 2014 and all Government property issued to him was returned immediately. Audit checks carried out on the payroll revealed that this officer was last paid in July 2014 and was taken off the payroll in August 2014. Subsequent checks revealed that monies owing from August to December 2014 were paid to this officer in January 2015 and he continued to receive payments up to June 2016.

*Police Force's Response:* The Finance Officer explained that the Administration of the GPF has instructed all Commanders to ensure that statutory checks of the Collectors Cash Book Statements (CCBS) and related bail records are done. Failure will result in action being taken against persons responsible. Further, the rank culpable had his last court appearance on 14 September 2016 and the next one is scheduled for 18 October 2016.

*Recommendation:* The Audit Office recommends that the Administration of Guyana Police Force pursue the matter to finality and put stricter measures in place to prevent a recurrence. (2015/274)

AGENCY 71  
REGION 1 - BARIMA/WAINI

Prior year matters, which have not been resolved

Current Expenditure

523. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills/receipts and other documents in support of the payments made. However, the Region failed to adhere to this requirement, since an examination of the records revealed that seven hundred and twenty-one cheque orders valued at \$515.338M remained outstanding in respect of the years 2010 to 2014. Similarly, with respect to 2015, twenty-nine cheque orders valued at \$26.191M remained outstanding. As a result, it could not be ascertained whether the Region received full value for all sums expended. Shown below is the status of outstanding cheque orders at the time of reporting in September 2016:

Year	No of Cheque Orders	Amount \$'000
2010	289	78,829
2011	62	25,504
2012	166	102,353
2013	90	90,572
2014	114	218,080
2015	29	26,191
Total	750	541,529

*Region's Response:* The Head of Budget Agency indicated that this is an ongoing exercise in the Region to clear outstanding cheque orders.

*Recommendation:* The Audit Office once again recommends that the Regional Administration renew its efforts to have these cheque orders cleared, submit the necessary information to the Audit Office for verification and ensure that cheque orders are cleared on a timely basis in keeping with circularised instructions. (2015/275)

524. Whilst evidence was seen where contractors were written to, the Regional Administration had still not recovered overpayments made during 2010 on the contracts for repairs to Mabaruma Amerindian Hostel of \$324,050 and repairs to Pakera Hospital, Matthew's Ridge of \$142,500.

*Region's Response:* The Head of Budget Agency indicated that reminder letters were sent to the contractors and the Region is seeking legal action through the Ministry of Communities.

*Recommendation:* The Audit Office once again recommends that the Regional Administration aggressively follow-up the recovery of the overpayments. (2015/276)

525. At the time of audit in August 2016, it was observed that there were still thirty-seven unserviceable vehicles/equipment in the Region's compound. However, there was no evidence of action being taken by the Regional Administration to dispose of these unserviceable vehicle/equipment.

*Region's Response:* The Head of Budget Agency indicated that a copy of the Mechanical Engineer's Evaluation Report was received and steps are now being taken to establish a Board of Survey, after which request for approval to dispose of these vehicles will be sought.

*Recommendation:* The Audit Office once again recommends that the Regional Administration pursue this matter to ensure the disposal of these unserviceable vehicles/equipment. (2015/277)

### Capital Expenditure

526. The Regional Administration is still to recover overpayments totalling \$30.445M which were made on the following projects during the years 2010 and 2011.

Year	Line Item	Description of Works	Amount Overpaid \$'000
2010	Buildings	Construction of Technical Vocation Centre	8,660
"	"	Construction of Nurses Hostel, Port Kaituma	6,440
"	"	Rehabilitation of Baramita Health Hut	2,288
"	"	Extension of Baramita Primary School	1,263
2011	Public Works	Construction of gravel surface road at 11 Miles, Manawarin	950
"	"	Construction of gravel surface road from Koko to Hymacabra	818
"	Buildings	Construction of Students Dormitory at Port Kaituma	4,797
"	"	Rehabilitation of Regional Administration Office, Mabaruma	3,934
"	"	Construction of Sanitary Block at Wauna Nursery School	604
"	"	Extension of Health Hut at Kariabo, Barima	419
"	"	Construction of Tobago Primary School	272
Total			30,445

*Region's Response:* The Head of Budget Agency explained that the contractors were written to and the Region is now engaging the Ministry of Communities on the way forward.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid recurrences. (2015/278)

527. The contract for the empoldering of 320 acres of farmland along the Aruka River was awarded in October 2012, to the sole bidder in the sum of \$7.425M. As at 31 December 2012, a mobilisation advance of \$3.712M, which is fifty percent (50%) of the contract sum, was paid to the contractor. A physical verification of the project revealed that the contractor never commence the works. At the time of reporting in September 2016, the contractor had refunded the sum of \$1.200M, leaving an amount of \$2.512M still to be recovered.



*Region's Response:* The Head of Budget Agency indicated that the Regional Administration wrote the contractor to recover the overpayment on 15<sup>th</sup> June 2016, the sum of \$1.200M was refunded by the contractor and the amount of \$2.512M is still owing.

*Recommendation:* The Audit Office once again recommends that the Regional Administration aggressively pursue the recovery of the outstanding sum and put proper systems in place to avoid recurrences. (2015/279)

528. The contract for the extension of Hosororo Primary School was awarded by National Procurement and Tender Administration Board to the lower of two bidders in the sum of \$11.438M. As at 31 December 2012, a mobilisation advance of \$3.430M, representing thirty percent (30%) of the contract sum, was paid to the contractor. A physical verification of the project revealed that the works were incomplete. In addition, no work was in progress at the time of the inspection in June 2013. Further, calculations based on physical measurements, revealed that the quantities for the items completed under the Bills of Quantities represents approximately forty percent (40%) of the entire physical works. This situation is worsened by the fact that the contract was signed since 3 October 2012 with duration of three months, giving a completion date of 3 January 2013. Hence, the contract duration would have been exceeded. The contract was terminated and the works were completed by force account, however; the Audit Office was not provided with necessary documentation for verification of the completed project as requested. As a result, a revisit of this project could not be carried out. At the time of reporting in September 2016, the matter was before the Courts.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since terminated the contract and the remaining works were completed by force account. This matter was engaging the Courts and remains the same.

*Recommendation:* The Audit Office recommends that the Regional Administration submit (a) the letter of termination of the contract; (b) the necessary documentation so that the completed works can be physically verified; and (c) provide the necessary information to the Audit Office when the matter is concluded by the Courts. (2015/280)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Employment Cost

529. For the period under review, sixteen employees were overpaid net salaries totalling \$1.135M while the related deductions totalling \$245,236 were also overpaid to various deduction agencies. This was due to pay change directives being forwarded late to the Regional Accounting Unit. However, at the time of reporting, the Administration was able to recover net salaries amounting to \$1.126M, leaving an amount of \$9,026 still to be recovered along with deductions of \$245,236.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since written the agencies and staff to recover the amounts overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration take follow-up action to recover the amounts overpaid and ensure that a more efficient and effective system is implemented for the timely communication of pay change directives. (2015/281)

Office and Field Supplies

530. An examination of the Appropriation Account for Programme 4 (Health Services) revealed that an amount of \$43.395M was budgeted for the procurement of drugs & medical supplies while an amount of \$42.164M was shown as having been expended. Included in the amount of \$42.164M is an Inter-Departmental Warrant issued on 30 November 2015 to the Ministry of Public Health for \$40M, to purchase drugs and medical supplies on behalf of the Region. Audit checks revealed that the Ministry was unable to execute the purchase and failed to send financial return to the Region for the unexpended sum. As a result, the Regional Administration did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$40M. Nevertheless, it was noted that the sum of \$40M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration did not receive a financial return resulting in the Appropriation Account being overstated. Checks will be made at the Ministry of Public Health for verification.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/282)

### Other Matters

531. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's safe revealed that there were one hundred and sixty-nine cheques valued at \$90.021M on hand. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount. At the time of reporting in September 2016 one hundred and forty-five cheques totalling \$81.774M were sent to the Accountant General's Department to be updated while twenty-four cheques totalling \$8.247M were still in the Regional Sub-Treasury's safe.

*Region's Response:* The Head of Budget Agency explained that the cheques on hand will be updated and paid over to the relevant payees.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure full repayment to the Consolidated Fund of all amounts remaining unpaid at the end of each financial year in compliance with the FMA Act. (2015/283)

### Capital Expenditure

532. The sum of \$186.097M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$119.190M were expended, resulting in the Region not achieving its anticipated level of capital expenditure activities in 2015 by \$66.907M or 35.95%. Shown in the table below is the shortfall in capital expenditure:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Purchases	105,500	67,498	38,002
Buildings	57,300	40,153	17,147
Infrastructure Development	15,636	7,312	8,324
Public Works	7,661	4,227	3,434
Total	186,097	119,190	66,907

533. The shortfall in the above expenditure of \$66.907M was mainly as a result of the Regional Administration not being able to (i) execute the project for upgrading and extension of electricity distribution networks at Wauna, Sugar Hill and Hosororo; (ii) procure an ambulance; (iii) construct heath post at Powaikuru; (iv) construct septic tank; (v) carry out electrical works at Port Kaituma Dormitory; (vi) install water well at Port Kaituma Secondary School; and (vii) install oxygen supply banks at Mabaruma and Kumaka hospitals. Nevertheless, the execution of these projects and the purchase of the ambulance were re-budgeted for in 2016 with the exception of the construction of the septic tank and electrical works at Port Kaituma Dormitory.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration have been advised to commence preparatory work on bid documents so as to facilitate tendering with respect to the execution of capital works during the first quarter of each year.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected within a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/284)

Capital Purchases

534. The sum \$105.500M was budgeted for (a) purchase of projector, solar panels, computers and intercom system; (b) suite, dining sets, wardrobes, beds, refrigerators, stoves, microwaves and freezer; (c) ATVs; (d) boats and outboard engines; (e) school furniture and equipment such as nursery sets, desks, benches, chalk boards, cupboards, racks, stools, tables, chairs, brush cutters, fire extinguishers, beds, photocopier, filing cabinets and satellite dish with accessories; (f) ambulance, vehicle, boat, fan, abdominal ultrasound probe, microscopes, dental chairs, ECG machines, cardiac monitors, autoclaves, portable screens, examination beds, drug carts, spinal boards, cervical collars, oxygen cylinders and gauges, photocopier, infant cots and delivery beds; (g) upgrading and extension of electricity distribution networks at Wauna, Sugar Hill and Hosororo; (h) rehabilitation of power distribution network at Kumaka Hospital; and (i) purchase of generator - Mabaruma Hospital. As at 31 December 2015, amounts totalling \$67.498M were expended, however, at the time of the audit in August 2016, the Regional Administration was still to receive assets totalling \$10.245M as shown in the table below. Nevertheless, the other assets were verified as having been received and properly brought to account.

Description	Quantity	Amount \$'000
Brush Cutters	2	230
Meter VSAT Dish and Accessories	1	649
Dining Set	15	810
Blood Banking Refrigerator	1	2,000
ECG Machine - 3.8 inch LCD screen	2	528
Portable Screens - 4 wheels	12	720
Delivery Beds	3	900
Autoclaves	2	1,040
Oxygen Cylinder	5	200
Cardiac Monitor	1	275
Cervical Collars	12	2,880
Oxygen Gauge	1	13
Total		10,245

535. In addition, capital items valued at \$9.970M which were purchased in 2014 were also still not received at the time of audit in August 2016.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is investigating this matter and a report will be provided.

*Recommendation:* The Audit Office recommends that the Regional Administration vigorously follow-up this matter with the suppliers to have the items delivered immediately. (2015/285)

### Buildings

536. The sum of \$57.300M was budgeted for the (a) construction of sanitary blocks at Port Kaituma, Warapoka, Baramita, Falls Top, Hobodia and Yarakita primary schools; (b) enclosure of teachers' quarters at Port Kaituma and Santa Rosa; (c) provision for septic tanks, trestle and electrical works at Port Kaituma Dormitory; (d) construction of health post at Powaikuru and sanitary blocks at Kariako and Falls Top; (e) rehabilitation of x-ray room at Kumaka Hospital and quarters at Pakera Hospital; and (f) extension of Waramuri Health Centre and pharmacy bond at Mabaruma. As at 31 December 2015, amounts totalling \$40.153M were expended as follows:

Description	Contract Sum \$'000	Amount Paid in 2015 \$'000	Balance \$'000
Enclosure of teacher's quarters, Santa Rosa, Moruca	6,102	4,271	1,831
Construction of sanitary block at Yarakita Primary School	3,232	2,677	555
Construction of sanitary block at Warapoka Primary School	3,035	2,134	901
Construction of sanitary block at Port Kaituma Primary School	3,206	4,386	(1,179)
Enclosure of Teacher's quarters at Port Kaituma	6,605	4,624	1,981
Construction of sanitary block at Hobodia Primary School	3,052	2,747	305
Construction of sanitary block at Falls Top Primary School	3,373	3,035	338
Construction of Trestle at Port Kaituma Dorms	7,098	6,388	710
Construction of Sanitary block at Baramita Primary School	3,034	303	2,731
Construction of sanitary block at Kariako	1,996	1,561	435
Extension of Waramuri Health Centre	3,571	1,857	1,714
Extension of Pharmacy bond at Mabaruma Regional Hospital	3,112	2,800	312
Rehabilitation of Medex quarters at Pakera Hospital	3,220	2,398	822
Rehabilitation of X- ray room at Kumaka District Hospital	1,975	898	1,077
Construction of sanitary block at Falls Top	1,495	75	1,420
<b>Total</b>	<b>54,106</b>	<b>40,153</b>	<b>13,953</b>

537. Fifteen contracts valued at \$54.106M were awarded for the above mentioned works. Of these, four were awarded to the sole bidder, two to the lowest bidder and nine to the lowest responsive bidder. As at 31 December 2015, none of the above projects were completed. However, these were all rollover and re-budgeted for in 2016.

538. Included in the sum of \$54.106M was a contract for the construction of sanitary block at Port Kaituma Primary School which was awarded in the sum of \$3.206M. As at 31 December 2015, amounts totalling \$4.386M were processed and passed for payments. However, it was noted that amounts totalling \$4.131M were actually paid to the contractor while one cheque for \$255,079 was still on hand at the Sub-Treasury Office. This would result in an overpayment of \$924,501 to the contractor while the cheque on hand for \$255,079 should be refunded to the Consolidated Fund.

*Region's Response:* The Head of Budget Agency acknowledged the finding and indicated that the cheque for \$255,079 will be refunded to the Consolidated Fund while steps will be taken to recover the amount of \$924,501 from the contractor.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that (a) all payments are properly verified and accurately recorded before payments are made; and (b) take immediate step recover the overpaid amount from the contractor. (2015/286)

#### Public Works

539. The sum of \$7.661M was budgeted for the payment of retention and construction of № 2 bridge at Hosororo. As at 31 December 2015, amounts totalling \$4.227M were expended as shown below:

Description	Contract Sum \$'000	Amount Paid in 2014 \$'000	Amount Processed for Payments in 2015 \$'000	Total Amount Processed for Payments \$'000	Balance \$'000
Retention payment for the construction of reinforced concrete bridge № 3 on Hosororo stretch, Mabaruma	10,519	9,597	922	10,519	0
Construction of reinforced concrete bridge № 2, Hosororo Stretch, Mabaruma	6,609	0	3,305	3,305	3,304
Total	17,128	9,597	4,227	13,824	3,304

540. The construction of reinforced concrete bridge № 2, Hosororo Stretch, Mabaruma was awarded to the lowest responsive of five bidders. As at 31 December 2015, an amount of \$661,950 was paid as mobilisation advance and a cheque to the value of \$2.643M was returned to the Accountant General's Department to be updated. This resulted in total payments of \$3.305M being processed for this contract although no work had been done to date. Nevertheless, it was noted that this project was re-budgeted for in 2016. (*see figure 12*)

*Region's Response:* The Head of Budget Agency indicated that the incomplete project that was awarded in 2015 was rolled over to 2016 for completion. The project that was not awarded was re-budgeted for in 2016. The reason for the rollover was due to the late approval of the National Budget.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected within a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/287)



**Figure 12**

**Region 1**

Contract: Construction of Reinforced Concrete Bridge No.2, Hossororo Stretch,  
Mabaruma

Payments made for construction of reinforced concrete bridge, however, the old existing  
timber bridge was discovered at the time of reporting.

**Total Overpayment \$661,950**

AGENCY 72  
REGION 2 - POMEROON/SUPENAAM

Prior year matters, which have not been resolved

Current Expenditure

541. Cabinet Approval dated 26 January 2009 was obtained by the Regional Administration for the write-off of gasoline to the value of \$2.667M which was lost. However, the amount of gasoline lost during the period 13 June 1996 to 12 March 1998 was valued at \$4.307M, leaving approval still to be obtained for gasoline valued at \$1.640M. In addition, approval was not obtained for the write-off of 37,806 litres of diesel, of which, 26,167 litres were spilled when a water tender collided with a fuel tank and 11,639 litres for which a Police report was received. Further, a Police report is yet to be received for a shortage of cash amounting to \$3.692M, which was lost from the Anna Regina Multilateral School in 2004. At the time of reporting in September 2016, reminders had been sent to the Commander 'G' Division for an update on the matter.

*Region's Response:* The Head of Budget Agency indicated that a letter was sent to the Permanent Secretary, Ministry of Communities and follow-up action will be taken until this matter is resolved. In addition, reminders have been sent to the Commander 'G' Division and the Regional Administration will continue to pursue this matter to finality.

*Recommendation:* The Audit Office once again recommends that the Regional Administration engage the Ministry of Communities and diligently follow-up these long outstanding matters in order to bring them to closure. (2015/288)

542. During the 2014 audit, a stock count of fuel and lubricants revealed an excess of ninety-six litres of diesel with an approximate value of \$16,387 and one hundred and ninety pints of lube oil valued approximately \$118,630. In addition, it was noted that the Regional Administration continued to store diesel for the National Drainage and Irrigation Authority (NDIA) in the same storage tank in which the Region's diesel was being stored. Similarly for 2015, a comparison between a physical count of fuel and lubricants and the bin cards revealed that there were shortages of stock valued at \$23,030 while excess stock totalled \$316,745.

*Region's Response:* The Head of Budget Agency indicated that the excess diesel belongs to NDIA for which separate bin cards are being maintained whilst evaporation and spillage would have accounted for the shortage.

*Recommendation:* The Audit Office once again recommends that the Regional Administration ensure its stock records are maintained accurately and updated in keeping with the Stores Regulations at all times and efforts be made to minimise loss due to spillage. (2015/289)



543. Circularised instructions state that for the occupation of Government quarters, Public Servants are required to pay rent of 10% and 12% of their salary for unfurnished and furnished accommodation respectively, except where entitlement to rent-free Government quarters had been previously approved, as a condition of service. An examination of the house rent register revealed that out of the sixty-two living quarters owned and maintained by the Regional Administration, fifty-four are presently occupied for which rents are only being received for eleven of the quarters, leaving forty-three for which no rents are being received. However, it could not be determined from the records presented for audit examination whether any of the persons occupying the forty-three quarters were entitled to rent free quarters.

*Region's Response:* The Head of Budget Agency explained that they will be requesting from the Department of Public Service, Office of the President, information relating to the entitlement of Government Quarters. In addition, occupants were written to and advised of deduction for rentals from their salary and in some cases letters to vacate. It should be noted that corrective measures are now being put in place.

*Recommendation:* The Audit Office once again recommends that the Regional Administration take steps to ensure all outstanding amounts for rent are collected and deposited into the Consolidated Fund. (2015/290)

#### Capital Expenditure

544. The Regional Administration had still not recovered amounts totalling \$4.482M that were overpaid on the following projects for the years 2010 and 2012.

Year	Description	Amount Overpaid \$'000
2010	Rehabilitation of La Union Cremation Road	552
"	Construction of Akawini Primary School Annex	1,194
2012	Construction of Teachers' Quarters, Akawini Annex	1,785
"	Construction of Ulele Primary School	951
Total		4,482

*Region's Response:* The Head of Budget Agency indicated that this matter remains unsolved. In addition, a decision has been taken to seek the intervention of the Permanent Secretary, Ministry of Communities. However, payments are now being made on practical completion/measured works.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and ensure the systems implemented are functioning effectively at all times. (2015/291)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Employment Cost

545. An audit examination of a sample of twenty-one transactions relating to appointments, resignations, dismissals etc, revealed that information are not being communicated in a timely manner, thereby resulting in overpayments totalling \$101,949 in respect of net salaries to two officers for the year 2015. Additionally, the relating deductions totalling \$40,671 were also overpaid to the respective deduction agencies. At the time of reporting, the Regional Administration had not yet recovered any of these overpayments.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since written Republic Bank Limited for refunds of the net amounts paid into the accounts of both employees. However, the Bank had informed the Regional Administration that these accounts have no funds. The respective Agencies were also written to for refunds of the corresponding deductions.

*Recommendation:* The Audit Office recommends that the Regional Administration vigorously follow-up this matter with the employees and agencies concerned so that the amounts overpaid be recovered. (2015/292)

Office and Field Supplies

546. An examination of the Appropriation Account for Programme 5 (Health Services) revealed that an amount of \$87.914M was budgeted for the procurement of drugs & medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 7 December 2015 to the Ministry of Public Health valuing \$85.914M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and failed to send a financial return to notify the Region of the unexpended sum. As a result, the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$85.914M. Nevertheless, it was noted that the sum of \$85.914M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that financial returns were never submitted by the Ministry of Public Health. The amount of \$2M was utilised by the Region to purchase medical supplies.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/293)

Stores and Other Public Property

547. The Regional Administration owns and controls eighty-four serviceable vehicles/machinery/equipment for which log books are required to be maintained and submitted for audit examination. An audit examination of the records revealed the following:

- of the eighty-four vehicles/machinery/equipment, thirteen were reported to be under repairs/not working and in the workshop for the period under review. However, no record is being maintained at the workshop to substantiate same; and
- of the remaining seventy-one serviceable vehicles/machinery/equipment for which log books were required to be maintained and submitted for audit examination, only thirty-four were submitted, leaving thirty-seven outstanding as summarised in the table below:

Type of Vehicle/Equipment	N <sup>o</sup> of Outstanding Log Books
Motor Cycles	14
Pumps	11
Generator	3
Motor Vehicles	2
Outboard Motor	1
Bulldozer	1
Mechanical Roller	1
Compactor	1
Brush Cutter	1
Pressure Washer	1
Welding & Lighting Plan	1
Total	37

548. An audit examination of the log books presented revealed that they continued to be poorly written-up in that pertinent information such as odometer readings, fuel and lubricants received and signatures of officer authorising journeys were not always recorded.

*Region's Response:* The Head of Budget Agency indicated that a format is now introduced to record vehicles that are undergoing maintenance. This allows for a complete history of each vehicle. Every effort is being made to have all the outstanding log books properly written up and submitted. The 2017 Budget caters for training to be done with drivers and operators in the maintenance of log books and other pertinent issues. In addition, in an effort to reinforce the importance of the duties of these employees, they will be written to and strict adherence to these procedures will also be discussed with them.

*Recommendation:* The Audit Office recommends that the Regional Administration maintain log books for all vehicles/machinery/equipment which required this record, and ensure that all pertinent information is recorded therein. Further, for those vehicles which were not in use, an annotation should be made in the relevant log books. (2015/294)

549. An audit examination at the Regional Hardware Stores, the Region's Workshop and compound revealed that there was a quantity of obsolete items and a number of unserviceable vehicle/equipment at these locations. However, there was no evidence of action being taken by the Regional Administration to dispose of these obsolete items and unserviceable vehicle/equipment.

*Region's Response:* The Head of Budget Agency indicated that arrangements are being put in place to write the Finance Secretary, Ministry of Finance, through Permanent Secretary, Ministry of Communities seeking approval for the disposal of obsolete and unserviceable vehicles/equipment.

*Recommendation:* The Audit Office recommends that the Regional Administration take the necessary steps to engage the Ministry of Public Infrastructure for a valuation of these vehicles/equipment, then the Finance Secretary for approval to have all obsolete and uneconomical assets disposed of in the approved manner. (2015/295)

#### Other Matters

550. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's Office safe revealed that there were seventy-nine cheques valued at \$10.001M on hand. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount.

*Region's Response:* The Head of Budget Agency explained that the cheques will be updated and paid over to the relevant payees.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure full repayment to the Consolidated Fund of all amounts remaining unpaid at the end of each financial year in compliance with the FMA Act. (2015/296)

### Capital Expenditure

551. The sum of \$281.340M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$215.675M were expended. As a result, the Region did not achieve its anticipated level of capital expenditure activities in 2015 by \$65.665M or 23.34%. Shown in the table below is the shortfall in capital expenditure:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Buildings	79,620	48,166	31,454
Miscellaneous D & I	72,540	58,010	14,530
Purchases	54,600	44,486	10,114
Public Works	74,580	65,013	9,567
Total	281,340	215,675	65,665

552. The shortfall in expenditure of \$65.665M was mainly as a result of (i) the Regional Administration being unable to commence work on the extension of Wakapoa Dorms; (ii) the construction of Aurora Primary School was not progressing as expected; (iii) retention payments rolling over to 2016; and (iv) a generator not being purchased. Nevertheless, these projects and the generator were re-budgeted for in 2016.

*Region's Response:* The Head of Budget Agency acknowledge this observation and indicated that systems are in place for non recurrences.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected in a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/297)

#### Buildings

553. A contract for the construction of RC water trestle at Public Hospital Suddie was awarded in the sum of \$4.137M to the fourth most responsive of twelve bidders. The Engineer's Estimate was \$4.780M. The works comprised of the construction of a reinforced concrete trestle and reservoir, installation of water tanks and plumbing installations to reservoir and tanks. Based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayment was discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Amount Overpaid \$'000
Bill № 2 construction of trestle Cont'd						
2.26	Provides for the installation of 2" dia. pipes (2 №) to act as flush out inclusive of all necessary fitting and control valves.	180,000 for 2 № flush out valves	1	Sum	1	90
2.27	Provide for the installation of fresh water network from trestle to buildings inclusive of the connection of the GWI network inclusive of all necessary fittings etc.	Sum	0	Sum	Sum	195
Total						285

*Region's Response:* The Head of Budget Agency indicated that this project has since been completed and same was verified by the Senior Superintendent of Works, Buildings.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) take immediate step to recover the overpayment of \$285,000 and to ensure that works are properly inspected, measured and paid for accordingly; (b) desist from preparing final completion certificates before the expiration of the defects liability period; and (c) put systems in place to prevent any recurrence of this nature. (2015/298)

### Capital Purchases

554. The sum of \$54.600M was voted for (a) the purchase of air conditioning units and computers (b) provision of generator (c) purchase of boat and outboard engine for Education, (d) purchase of servers, beds, wardrobes, beds, refrigerators, solar panels, desk, benches, nursery sets, chairs, tables and generator, (e) film processor, dental unit, computers, light curing machine, dental compressor, refrigerators, centrifuges, electrolyte analyser, ultrasonic scalers, microscopes, hydrocollator, washers, driers, beds, trollies, filing cabinets and air conditioning units, (f) purchase boat and outboard engine for Health and (g) provision for generator at Oscar Joseph District Hospital. As at 31 December 2015, amounts totalling \$44.486M were expended on the acquisition of the above mentioned items. However, it was observed that a number of items purchased are still to be put into use, these items were still at the Regional Hardware Store and at the Public Hospital Suddie Store. In addition, at the time of reporting in September 2016 items to the value of \$5.498M which were purchased during 2015 were still to be supplied as shown in the table below:

Items	Quantity	Amount \$'000
Outboard Engine	5	2,770
Otoacostic Equipment	1	2,621
Table	2	107
Total		5,498

*Region's Response:* The Head of Budget Agency indicated that remedial works were being done at the Suddie Hospital hence the items could not have being sent there. This is has now being corrected. In addition, the cheques for the items to be supplied are now being updated and this situation will soon be remedied.

*Recommendation:* The Audit Office recommends that the Regional Administration take immediate steps to ensure that all assets purchased are utilised for the purposes intended and all outstanding items delivered. (2015/299)

AGENCY 73  
REGION 3 - ESSEQUIBO ISLANDS/WEST DEMERARA

Prior year matters, which have not been resolved

Current Expenditure

555. An examination of the payroll records for the years 2011 to 2014 revealed that net salaries totalling \$1.772M were overpaid to employees whilst the related deductions amounting to \$396,318 were also overpaid to the various agencies. This was as a result of pay changes directives not being forwarded in a timely manner by the Personnel Department to the Regional Accounting Unit. At the time of reporting amounts totalling \$642,855 were recovered from employees while deductions totalling \$2,115 were also recovered. Similarly, for 2015 net salaries totalling \$665,906 were overpaid to six officers whilst the related deductions amounting to \$178,580 were also overpaid to the various deduction agencies. At the time of reporting in September 2016, amounts totalling \$663,947 were recovered including deductions totalling \$157,060. Shown in the table below, is the status of outstanding net salaries and deductions at the time of reporting in September 2016:

Year	Net Salaries Overpaid \$	Salaries Recovered \$	Salaries O/standing \$	Over Paid Deductions O/standing \$
2011	462,525	156,498	306,027	129,679
2012	233,814	138,936	94,878	55,751
2013	909,617	347,421	562,196	184,446
2014	166,436	0	166,436	26,442
2015	665,906	476,887	189,019	21,250
Total	2,438,298	1,119,742	1,318,556	417,568

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is pursuing this matter with the employees and agencies concerned so that the amounts overpaid could be recovered. With respect to deductions paid over, a National Insurance Scheme Inspector visited the Region and made inspections while the Guyana Revenue Authority has since given stipulated guidance toward the recovery of monies owing which is currently being explored.

*Recommendation:* The Audit Office once again recommends that the Regional Administration vigorously follow-up this matter with the employees and agencies concerned so that the amounts overpaid could be recovered. (2015/300)

556. In 2012, there were thirty-one vehicles/equipment which were not in working order; some for over ten years. As a result, the Ministry of Local Government and Regional Development recommended to the Region that these vehicles/equipment be disposed of, since they were unserviceable. The Region forwarded a letter dated 19 January 2016 to the Finance Secretary requesting advice on the disposal of the vehicles/equipment. The Finance Secretary advised the Region of the various requirements that have to be met before disposal can be done. On 29 February 2016, the Region had written the Ministry of Public Infrastructure requesting a revaluation of these vehicles/equipment.

*Region's Response:* The Head of Budget Agency indicated that at the time of reporting in September 2016, the Ministry of Public Infrastructure visited the Region and conducted an inspection and the Region is currently awaiting a valuation to proceed with the disposal.

*Recommendation:* The Audit Office once again recommends that the Regional Administration conclude this matter urgently. (2015/301)

557. Circularised instructions require that log books be kept and properly maintained for each vehicle owned and/or operated by the Region to record authorised journeys and other pertinent information. Of the thirty-nine serviceable vehicles/equipment owned and controlled by the Region, log books were not presented for seven vehicles/equipment. A similar observation was noted in the previous year audit.



*Region's Response:* The Head of Budget Agency explained that the vehicles for which log books were not maintained were for those that were inoperable or were in the workshop, while systems have since been implemented to ensure logs books are properly maintained.

*Recommendation:* The Audit Office recommends that the Regional Administration maintain log books for all vehicles which required this record. In addition, for those vehicles which were not in use, an annotation should be made in the relevant log books. (2015/302)

558. Sections 24 and 28 of the Stores Regulations states that the Head of Budget Agency shall ensure that (a) Master and Sectional Inventories of permanent stores are kept and are properly maintained; and (b) all permanent stores are properly marked so as to readily identify them as Government property. However, an inspection of the Sectional Inventories revealed that assets purchased during 2015 were not brought to account on the Sectional Inventories. In addition, a Master Inventory was not presented for audit examination. Further, assets procured during 2015 were not marked to readily identify them as Government property. Similar observations were noted in previous year's audits.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will take action to ensure all Permanent Stores are marked while efforts will be made to ensure a Master Inventory is kept and the Sectional Inventories updated accordingly.

*Recommendation:* The Audit Office once again recommends that the Regional Administration take immediate steps to ensure that the Stores Regulations are complied with, as it relates to the marking of assets and maintenance and updating of Sectional and Master Inventories. (2015/303)

559. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills/receipts and other documents in support of the payments made. However, the Region failed to adhere to this requirement, since thirty-six cheque orders valued at \$29.624M in relation to the years 2010 and 2011 were still not cleared. Similarly for 2015, ten cheque orders valued at \$31.612M were still to be cleared. Shown below is the status of outstanding cheque orders at the time of reporting in September 2016:

Year	No Outstanding	Amount \$'000
2010	30	26,003
2011	6	3,621
2015	10	31,612
Total	46	61,236

*Region's Response:* The Head of Budget Agency indicated that efforts are currently in progress to establish why these cheque orders have not been cleared and every effort will be made to ensure they are located and cleared.

*Recommendation:* The Audit Office once again recommends that the Regional Administration renew its efforts to have these cheque orders cleared and submit the necessary information to the Audit Office for verification. (2015/304)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Office and Field Supplies

560. An examination of the Appropriation Account for Programme 5 (Health Services) revealed that an amount of \$168.208M was budgeted for the procurement of drugs & medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 4 December 2015 to the Ministry of Public Health valuing \$162.532M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and failed to send financial return to notify the Region of the unexpended sum. As a result, the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$162.532M. Nevertheless, it was noted that the sum of \$162.532M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that financial returns were never submitted by the Ministry of Public Health.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/305)

561. Verification exercises conducted on drugs and medical supplies at West Demerara Regional Hospital and seven Health Centres within the Region revealed that there were one hundred and fifty items of expired drugs with an approximate value of \$1.774M at these locations. In this regard, there was no evidence that the Regional Administration took action to have these drugs disposed of by the competent authority. A similar observation was noted in the previous year audit when \$3.141M in expired drugs was disposed.

*Region's Response:* The Head of Budget Agency indicated that the Ministry of Health had since been contacted and have already started disposing of these items.

*Recommendation:* The Audit Office once again recommends that the Regional Administration undertake a survey to determine the realistic needs of pharmaceuticals and other medical supplies at these institutions in order to reduce losses through the expiration of drugs. (2015/306)

### Other Matters

562. Circularised instructions state that for the occupation of Government quarters, Public Servants are required to pay rent of 10% and 12% of their salary for unfurnished and furnished accommodation respectively, except where entitlement to rent-free Government quarters had been previously approved, as a condition of service. Audit checks revealed that of the residential buildings controlled by the Regional Administration most were occupied, however, the Regional Administration was not in receipt of rents from these occupants.

*Region's Response:* The Head of Budget Agency explained that it is currently reviewing the list of occupants on a case by case basis to determine those persons who will be required to pay rent.

*Recommendation:* The Audit Office recommends that the Regional Administration completes this activity and take the necessary steps to ensure all outstanding amounts for rent are collected and deposited into the Consolidated Fund. (2015/307)

563. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's safe revealed that there were six cheques valued at \$29.394M on hand. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount. However, at the time of reporting in September 2016, these were sent to the Accountant General's Department to be updated.

*Region's Response:* The Head of Budget Agency explained that the cheques on hand will be updated and paid over to the Consolidated Fund.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure full repayment to the Consolidated Fund of all amounts remaining unpaid at the end of each financial year in compliance with the FMA Act. (2015/308)

### Capital Expenditure

564. The sum of \$202.775M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$202.765M were expended as shown below:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Purchases	76,400	76,390	10
Buildings	55,860	55,860	0
Public Works	45,405	45,405	0
Miscellaneous D & I	25,110	25,110	0
Total	202,775	202,765	10

Miscellaneous D & I

565. The sum of \$25.110M was allocated for construction of control structures at Hague Backdam and Patentia Housing Scheme, construction of revetments at Noitgedacht and Den Amstel and construction of huts for koker operators at Versailles, Salem and Nismes. According to the Appropriation Account the full amount was expended.

566. An examination of the Tender Evaluation Reports for the contracts revealed that eight contracts as listed in the table below were not awarded to the lowest or most competitive bidders by the Regional Tender Board, despite the Evaluation Committee recommending the lowest bidders in each instance. In addition, no reasons/ justifications were seen in the Tender Board Minutes as to why the recommendations of the Evaluation Committee were not followed.

Item	Contract	Contract Sum \$'000	Engineer's Estimate \$'000	Lowest Bidder \$'000	No of Bids	Award
1	Construction of Sanitary Block and Rehabilitation to Front Building at L' Adventure Secondary School	4,128	4,500	2,989	15	7 <sup>th</sup> highest
2	Construction of Revetment at Railway Embankment - Den Amstel	5,261	6,000	4,860	17	5 <sup>th</sup> lowest
3	Rehabilitation of Building- Noitgedacht Nursery School	4,408	5,000	4,047	10	6 <sup>th</sup> highest
4	Extension and Rehabilitation to Parafait Harmony Nursery School	7,980	8,500	6,332	25	15 <sup>th</sup> highest
5	Construction of Revetment at Noitgedacht- Wakenaam	5,272	7,000	5,239	12	2 <sup>nd</sup> lowest
6	Rehabilitation of Road, Cameron Dam, Canal No 1- Crusher Run	8,856	8,900	7,082	22	7 <sup>th</sup> highest
7	Corrective Maintenance Work to Building at Parafait Nursery School	2,386	2,958	1,621	25	5 <sup>th</sup> lowest
8	Corrective Maintenance to Building at Parika Salem Secondary School	1,355	1,700	1,320	14	3 <sup>rd</sup> lowest

*Region's Response:* The Head of Budget Agency indicated that the Regional Tender Board deliberated on these awards. However, the reasons were inadvertently left out of the Minutes.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) give reasons why the contracts were not awarded to the lowest responsive bidders; (b) ensure that all documentations are presented for audit examination; and (c) the Procurement Act is fully complied with at all times. (2015/309)

AGENCY 74  
REGION 4 - DEMERARA/MAHAICA

Prior year matters, which have not been resolved

Current Expenditure

567. During the year 2015, the Personnel Section had made some improvements with respect to pay changes directives being forwarded to the Regional Accounting Unit in a timelier manner. There were forty-two leavers during the year under review. Audit examination revealed that eleven persons were overpaid salaries amounting to \$816,661, whilst the related deductions totalling \$56,516 was also overpaid to the various deduction agencies. At the time of reporting in September 2016, two persons refunded monies in the sum of \$269,689 inclusive of deductions totalling \$19,806. Similarly, with respect to the years, 2011 to 2014 amounts totalling \$6.200M remained outstanding as overpaid net salaries to employees. The related deductions totalling \$1.341M paid over to the various agencies were also not recovered. Shown below, are the details of the outstanding amounts:

Year	Net Salary Overpaid \$	Net Salary Recovered \$	Net Salary Outstanding \$	Deductions Overpaid & not recovered \$
2011	977,318	234,814	742,504	0
2012	2,785,098	833,402	1,951,696	470,321
2013	2,912,000	0	2,912,000	707,003
2014	645,592	51,830	593,762	163,805
2015	816,661	249,883	566,778	36,710
Total	8,136,669	1,369,929	6,766,740	1,377,839

*Region's Response:* The Head of Budget Agency indicated there has been improvement in this area in respect to the year 2015. The Regional Administration continues to urge Programme Heads to ensure that pay change directives are forwarded to the Regional Accounting Unit in a timelier manner. The Regional Administration is currently in the process of sending reminders to the persons who were overpaid to have the sums recovered. Additionally, if there is no compliance the Administration will publish in the media the names of the defaulters. If there is still no response, then legal advice will be sought on the way forward. However, it is important to note that some of the persons are no longer employed by the Region.

*Recommendation:* The Audit Office once again recommends that the Regional Administration renew its efforts to recover the sums overpaid and ensure that the systems put in place are functioning effectively to avoid overpayments. (2015/310)

568. An examination of the payroll records of the Regional Administration during the year under review revealed that six employees were without National Insurance Scheme (NIS) numbers. In addition, forty-two employees had temporary NIS numbers. Similarly, for 2014, four employees were without NIS numbers while one hundred and ninety-two employees had temporary NIS numbers. It should be emphasised that registration with the Scheme has implications for Social Security and other benefits.

*Region's Response:* The Head of Budget Agency explained that this situation has improved. The Regional Administration had contacted the fourteen employees who were without NIS numbers. Eight of these employees have since registered with the NIS and submitted the NIS information. With regards to the one hundred and nine employees with temporary NIS numbers, fifty-two have submitted permanent numbers and seven are no longer employed by the Region due to resignation, dismissal or retirement. Most of the remaining persons would have been written to and every effort will be made to ensure that the permanent NIS information is received as soon as possible. Please note also that the Regional Administration has taken measures to ensure that the required information is submitted before employees are added to the payroll.

*Recommendation:* The Audit Office once again recommends that the Regional Administration ensure registration of its employees with the Scheme. (2015/311)

569. During 2012, the sum of \$56.126M was expended on the purchase of fuel and lubricants for consumption by the Region's fleet of vehicles. An examination of the charge bills received from Guyana Oil Company Limited (GUYOIL) whenever fuel was collected by the Region revealed that fuel and lubricants totalling \$1.663M were supplied to sixteen vehicles not registered with the Region. These occurrences had still not been investigated by the Region.

570. It should be noted that during 2011, fuel amounting to \$733,076 were uplifted for three vehicles that were not owned by the Region. Checks made at the Licence Revenue Office revealed that two of these vehicles were never registered with that Agency. This matter is the subject of a Police investigation which was still ongoing at the time of reporting. Also, the Audit Office had concluded a special investigation into the alleged theft of fuel and lubricants, which were uplifted by drivers from the Regional Democratic Council - Region No 4 at the GUYOIL Gas Station located in Kitty, Georgetown from 01-31 January 2013. A separate Report was issued, which included recommendations for disciplinary action and possible criminal charges against the alleged perpetrators.

*Region's Response:* The Head of Budget Agency explained that the Regional Administration has since implemented systems to ensure that only vehicles authorised by the Region uplift fuel from GUYOIL. Fuel is only issued out on Internal Stores Requisition approved by the Regional Executive Officer (and in her absence the Deputy Regional Executive Officer) via requisition by Program Heads. Reconciliation of fuel is also done on a monthly basis. Additionally, the matter with respect to the vehicles not registered with the Region that had previously uplifted fuel is currently being investigated by the Police and no further updates have been received.

*Recommendation:* The Audit Office recommends that the Regional Administration continue to ensure that systems are functioning effectively and when the Police conclude the investigation, the necessary information is provided to the Audit Office. (2015/312)

571. An examination of various documents relating to fuel and lubricants revealed the following discrepancies:

- (a) fuel statements submitted by GUYOIL as at 31 December 2015, reflected an amount of \$37.443M being owed to the Region by GUYOIL over a period of time;
- (b) there was no monthly reconciliation between the amount of fuel and lubricants paid for by the Region and the amount actually received from GUYOIL. As a result, it could not be determined whether all fuel and lubricants paid for were actually received;
- (c) fuel slips and GUYOIL Statements for the months of January and June 2015 were not submitted for audit verification. Hence, it was difficult to ascertain the amount of fuel uplifted by the Region for these two months; and
- (d) log books for five vehicles were not presented for audit verification.

*Region's Response:* The Head of Budget Agency explained that the Region has not yet uplifted its fuel from GUYOIL due to limited storage capacity and, as such, additional fuel will not be bought until the Region consumes its current stock of fuel while every effort will be made to do monthly reconciliations

*Recommendation:* The Audit Office recommends that the Regional Administration desist from purchasing fuel beyond its consumption capacity and ensure fuel reconciliations are done in a timely manner. (2015/313)

572. The Regional Administration was still to recover an overpayment of \$409,000 made during 2013 on the contract for repairs to the Medex Quarters, Laluni.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since contacted the contractor with a view to recover the overpayments. A reminder via letter dated 3rd August 2015 was sent to one of the contractors. Meetings were also held with both contractors who in principle agreed to refund the outstanding amounts but requested some time to do so.

*Recommendation:* The Audit Office recommends that the Regional Administration renew its efforts to recover the overpayments and put systems in place to avoid future recurrences. (2015/314)

573. During 2015, there continued to be discrepancies with the utilities records of the Regional Administration as detailed below:

- audit checks revealed that even though the Regional Administration maintained utility registers, which contained telephone numbers and meters in respect of water and electricity, an authorised list of all telephone numbers and meters (electricity and water) under the control of the Regional Administration was not presented for audit scrutiny as was in the case for 2014. As a result, it was difficult to ascertain if the payments made were for authorised meters and telephone numbers under the control of the Regional Administration; and
- amounts totalling \$117.405M for 2015 were expended for the payment of telephone, electricity and water charges. However, audit examination of the various utility registers and the IFMAS reports revealed the following differences as shown in the table below. A similar situation existed in 2014.

Description	Amount on Account Analysis 2015 \$'000	Amount in Register 2015 \$'000	Difference \$'000
Telephone Charges	5,900	4,932	968
Electricity Charges	78,821	78,192	629
Water Charges	32,685	33,114	(429)
Total	117,406	116,238	1,168

*Region's Response:* The Head of Budget Agency explained that the Regional Administration is in the process of preparing an authorised list which will contain account/meter numbers of utility charges to be paid by the Region. Systems will be put in place to reconcile the registers against bills paid to the utility companies on a monthly basis.

*Recommendation:* The Audit Office once again recommends that the Regional Administration provide the Audit Office with a certified list of all telephone numbers and meter numbers for electricity and water and ensure that utility records are reconciled promptly and accurately reflect the amounts expended. (2015/315)



574. The Regional Administration did not entirely adhere to the stores accounting procedures, specifically Sections 6 (2), 17 and 24 of the Stores Regulations, with regards to the Stores Ledger being maintained and kept up to date by the Accounting Department, Goods Received Notes being submitted to the Accounts Department and affixed to the payment vouchers and the maintenance of Master and Sectional Inventories. Audit examination of the Stores records revealed that the Stores Ledger kept at the Regional Accounting Unit was last updated in 2012. In addition, copies of the Goods Received Notes were not sent to the Accounts Department; as a result, Goods Received Notes were not affixed to the vouchers. Further, amounts totalling \$10.921M were expended on the purchase of several items for the Education and Health Programme which were not entered in the Goods Received Book by the Storekeeper. As a result, it was difficult to ascertain if all the items listed were received.

575. The Master Inventory maintained by the Regional Democratic Council only contained Government Buildings, Community Centre Grounds, Pump Stations and Machinery and Equipment. It was not updated to include the assets acquired during 2015. It was also observed that Sectional Inventories were also not updated to include the items purchased during the year in review. This situation was also evident during previous year audits. In addition, although a gift register was being maintained and it was updated for the period under review, there was no evidence that periodic returns were submitted to the Finance Secretary, the Accountant General and Auditor General.

*Region's Response:* The Head of Budget Agency regrets that the Stores Ledger was not maintained, goods received notes not attached to payment vouchers and Master and Sectional Inventories not updated. Measures will shortly be put in place to address these issues. In addition, the Regional Administration will put the necessary systems in place to properly record goods received. However, it is important to note that these items were received and distributed to the various institutions.

*Recommendation:* The Audit Office once again recommends that the Regional Administration comply fully with the requirements of the Stores Regulations at all times. (2015/316)

576. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills/receipts and other documents in support of the payments made. However, the Region failed to adhere to this requirement, since an examination of the records revealed that cheque orders were cleared on average of eighty days after the stipulated timeframe. At the time of reporting in September 2016, forty-four cheque orders amounting to \$23.657M remained outstanding with respect to the year 2015. Similarly, eighty-eight cheque orders valued at \$44.833M remained outstanding for prior years. As a result, it could not be ascertained whether the Region received full value for all sums expended. Shown in the table below, is the status of outstanding cheque orders at the time of reporting in September 2016:

Year	Nº of Cheque Orders Outstanding	Amount \$'000
2010	12	5,557
2012	7	2,244
2013	18	4,544
2014	51	32,488
2015	44	23,657
Total	132	68,490

*Region's Response:* The Head of Budget Agency explained that this situation has improved significantly. The Regional Administration was able to retire several more cheque orders. In order to avoid reoccurrences, the Administration has since put measures in place that only when all goods are received, payments will be made.

*Recommendation:* The Audit Office once again recommends that the Regional Administration renew its efforts to have these cheque orders cleared and to ensure that there is strict adherence to the requirement for the clearing of cheque orders. (2015/317)

577. At the time of reporting in September 2016, the Regional Administration did not presented six payment vouchers totalling \$12.080M relating to 2015 for audit examination. As a result, the propriety of the payments could not be determined or whether value was received for the money spent.

*Region's Response:* The Head of Budget Agency indicated that all vouchers after payment are kept with the Region's Sub Treasury and are made available upon request.

*Recommendation:* The Audit Office once again recommends that the Regional Administration liaise with the Accountant General's Department and the Sub-Treasury in order to provide these vouchers for examination. (2015/318)

#### Capital Expenditure

578. The Regional Administration was still to recover an overpayment of \$1.790M made on the contract for the construction of road at Land of Canaan for the year 2012.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since contacted the contractor with a view to recover the overpayment.

*Recommendation:* The Audit Office once again recommends that the Regional Administration renew its effort to recover the overpayment and put systems in place to avoid future overpayments. (2015/319)

Current year matters with recommendations for improvement in the existing system

Current Expenditure

Office and Field Supplies

579. An examination of the Appropriation Account for Programme 5 (Health Services) revealed that an amount of \$226.781M was budgeted for the procurement of drugs & medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 12 December 2015 to the Ministry of Public Health valuing \$224.781M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and failed to send a financial return to notify the Region of the unexpended sum. As a result, the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$224.781M. Nevertheless, it was noted that the sum of \$224.781M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration took note of the Audit Report and is in full agreement with the concerns raised. The Administration had verbally requested a statement from the Ministry of Public Health but did not receive any and failed to follow-up via letter. However, every effort will be made to ensure financial statements from Ministry of Public Health are received in a timely manner.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/320)

580. Physical verification exercises conducted on drugs and medical supplies at the East Bank Demerara Regional Hospital and ten Health Centres in Region No 4 revealed that there were large quantities of expired drugs with an approximate value of \$315.618M at these locations. However, there was no evidence that action was taken to dispose of it by the competent authority.

*Region's Response:* The Head of Budget Agency indicated that efforts will be made to have these drugs properly disposed of.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) undertake a survey to determine the realistic needs of pharmaceuticals and other medical supplies at these institutions in order to reduce losses through the expiration of drugs; and (b) take action to have these drugs and medical supplies disposed of by the competent authority. (2015/321)

581. Amounts totalling \$13.782M was expended on Transport, Travel and Postage, of which amounts totalling \$9.413M were expended for the hire of two vehicles to deliver juice, biscuits and furniture to various schools across the Region. It should be noted that the Region has a serviceable canter truck and several other vehicles in their fleet that can be utilised to deliver the items.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration took note of the comments in the Audit Report. However, one (medium size) Canter owned by the Region is grossly inadequate to transport items to the one hundred and thirty-three schools within Region № 4. The other vehicles within the Region's fleet are not enclosed and do not have the capacity to do distribution. Hence, several trips would be required to ensure that the items reach the schools in the required timeframe. Important to note, while the Region has vehicles, there is a shortage of drivers. The Region has recently received permission to fill the position of drivers.

*Recommendation:* The Audit Office recommends that the Regional Administration utilise the resources of the Region where necessary for the distribution of items. (2015/322)

### Maintenance Works

582. Amounts totalling \$374.300M was expended on plumbing, interior repairs, repairs to living quarters, weeding and cleaning, excavation works, repairs to bridges, repairs to roads, construction of shed, payment to sluice operators/pump attendants, providing transportation etc. The following observations were made:

- (a) the construction of shed at the Regional Democratic Council, Region № 4 totalling \$792,000 was charged to current expenditure instead of being charged to capital expenditure;
- (b) payment of salaries to pump attendants/sluice operators totalling \$1.775M were also charged to Maintenance Works instead of Employment Cost; and
- (c) provision of transportation totalling \$111,000 was also charged to Maintenance Works.

*Region's Response:* The Head of Budget Agency indicated that the findings in the Audit Report are accurate. As it relates to the construction of the shed, the Regional Administration regrets this error and will ensure there is no reoccurrences in the future. As it relates to the officers being paid under 6253, this is due to the recruitment of relief personnel when staff is on vacation. Additionally, five labourers who are placed at the five pump stations were paid under this line item. Approval has since been granted by the Department of Public Service to recruit these labourers under the permanent establishment. As it relates to the transportation cost being charged under maintenance, this was inadvertently charged under this line item. The Regional Administration will make every effort to avoid such in the future.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure the proper recording of transactions to avoid misclassification. (2015/323)

### Stores and Other Public Property

583. Section 26 of the Stores Regulations requires that historical records of vehicles, plant and equipment are to be maintained. However, historical records for five out of the twenty-six serviceable vehicles/equipment owned and operated by the Region were not maintained in keeping with the Regulations. In addition, despite historical records being kept for the remaining vehicles they were not updated to include the maintenance costs of these vehicles. In the circumstances, the Region was not in a position to monitor the cost of maintenance in each case and to determine whether it was economical to retain or dispose of these vehicles.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is in possession of the relevant information and every effort will be made to have the files updated accordingly.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with Stores Regulations as it relates to maintenance of historical records. (2015/324)

### Other Matters

584. Circularised instructions state that for the occupation of Government quarters, Public Servants are required to pay rent of 10% and 12% of their salary for unfurnished and furnished accommodation respectively, except where entitlement to rent-free Government quarters had been previously approved, as a condition of service. There are three hundred buildings controlled by the Regional Administration of which one hundred and thirty-two are being occupied by various persons including individuals from Demerara Distillers Limited (DDL) and TOPCO. In addition, fifty-five were being utilised as Nursery Schools, forty-eight by Primary Schools, seventeen by Secondary Schools, thirteen were offices of which one was destroyed by fire, fourteen for Community Centers and twenty-one as Health Centers. In respect of the one hundred and thirty-two occupied, officers are only paying rents for twenty-six. However, from the records presented for audit examination it could not be determined whether those persons who were not paying rent were entitled to rent free quarters.

*Region's Response:* The Head of Budget Agency explained that with the help of the State Asset Recovery Unit, the Regional Administration is in the process of inventorising all government facilities including residential buildings to ascertain the occupancy and to establish if the occupants are entitled to rent free/rent paid quarters. This process had commenced at the end of last year but had to be aborted earlier this year due to the resignation of the only Field Auditor

*Recommendation:* The Audit Office once again recommends that the Regional Administration take steps to ensure all outstanding amounts for rent are collected and deposited into the Consolidated Fund. (2015/325)

585. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's safe revealed that there were one hundred and forty-two cheques valued at \$34.748M on hand. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount.

*Region's Response:* The Head of Budget Agency explained that the cheques on hand will be updated and paid over to the Consolidated Fund.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure full repayment to the Consolidated Fund of all amounts remaining unpaid at the end of each financial year in compliance with the FMA Act. (2015/326)

#### Capital Expenditure

586. The sum of \$237.387M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$127.474M were expended, resulting in the Region not achieving its anticipated level of capital expenditure activities in 2015 by \$109.913M or 46.3%. Shown in the table below is the shortfall in capital expenditure:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Buildings	112,000	28,862	83,138
Purchases	67,944	46,721	21,223
Public Works	48,150	43,600	4,550
Miscellaneous D & I	9,293	8,291	1,002
Total	237,387	127,474	109,913

587. The shortfall of \$21.223M was mainly as a result of the Regional Administration not acquiring three vehicles budgeted for the Administration, Health and Education Departments while the shortfall of \$83.138M in expenditure were mainly as a result of the Regional Administration not executing the following projects. Nevertheless, these were re-budgeted for in 2016.

- Construction of 'A' Grade Secondary School at Golden Grove;
- Construction of Eastville Nursery School, Annandale;
- Construction of Nursery School Grove;
- Reconstruction of Peters Hall Primary School; and
- Extension of Kuru Kuru Primary School.

*Region's Response:* The Head of Budget Agency indicated that this was due mainly to Education Buildings and the size of the contracts, which was delayed due to the Region awaiting Cabinet approval. Most of these contracts were re-budgeted in 2016 and are at various stages of completion.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected in a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/327)

Buildings

588. The amount of \$15M was allocated under Programme 5 - Health Services (Buildings) for (a) extension and rehabilitation of delivery room and chest clinic at Diamond Hospital; (b) extension of Melanie and Grove Health Centres; and (c) provision for pharmacy at Clonbrook Health Centre. As at 31 December 2015, amounts totalling \$7.188M were expended.

589. With regards to the contract for the extension of Melanie Health Center, the contract was awarded in the sum of \$3.565M to the lowest of twenty-one bidders against an Engineer's Estimate of \$4M. The works comprise the construction of a new reinforced concrete building section adjoining the existing Health Center, complete with plumbing, electrical and rain water installations. As at 31 December 2015, the full amount was paid to the contractor. Based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayment was discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$
	Roof Covering						
3.39	Supply and fix in place prepainted corrugated profile 26 gauge galvalum roofing sheets including for laps and screws. No joints along length of sheets and min. 8" laps between sheets. Sheets to be screwed to sheet laths.	73	40	sq.yd	33	500	16,500
2	Supply and install 2"x6" GH Beams	216	161	bm	55	425	23,375
3	Supply and install 1"x6" GH Clawboard	576	378	bm	198	425	84,150
Total							124,025

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will follow-up this matter with the contractor with a view to recover the amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration take immediate steps to recover the overpayment and put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/328)

AGENCY 75  
REGION 5 – MAHAICA/BERBICE

Prior year matters, which have not been resolved

Current Expenditure

590. For the period under review, untimely pay change directives forwarded for resignations and dismissals to the Regional Accounting Unit, resulted in the overpayment of salaries totalling \$180,545; while, deductions in respect of eleven persons totalling \$142,097 were overpaid to various deduction agencies. Similarly, the Regional Administration had not been able to recover any outstanding overpayments of net salaries and deductions which were overpaid to employees and various agencies for the years 2012 to 2014. Shown in the table below, is the status of outstanding salaries and deductions at the time of reporting in September 2016:

Year	Net Salary Overpaid \$'000	Net Salary Recovered \$'000	Net Salary Outstanding \$'000	Deductions Overpaid \$'000	Deductions Recovered \$'000	Deductions Outstanding \$'000	Net Salary & Deductions Outstanding \$'000
2012	1,727	1,228	499	404	246	158	657
2013	869	246	623	340	0	340	963
2014	156	0	156	57	0	57	213
2015	181	0	181	142	0	142	323
Total	2,933	1,474	1,459	943	246	697	2,156

*Region's Response:* The Head of Budget Agency indicated that they had sent letters directly to the residents of the defaulters and are awaiting reply. However, no response was received from the defaulters. Public Accounts Committee had recommended the writing off of the amounts through the office of the Finance Secretary, Ministry of Finance for 2012. With respect to the years 2013 and 2014 efforts are being made for these monies to be recouped and refunded to the Consolidated Fund. In addition, steps have been taken to assist in reducing these overpayments. Such steps include, withholding of salary at bank until resumption of duty, adjustments being done at MISU before payroll is being imported and adjustment of salary cheques before payment is made. Further, efforts are also being made to have defaulters refund the gross salary to the Regional Administration as it is having difficulties in having deductions recovered.

*Recommendation:* The Audit Office once again recommends that the Regional Administration vigorously pursue the recovery of the amounts overpaid and improve the efficiency of the systems in place to avoid such overpayments. (2015/329)



591. In the year 2014, amounts totalling \$154.388M were spent on Security Services. However, the Administration had no system in place to verify that the services paid for were actually received. The Head of Budget Agency indicated that the Region has written for approval to employ checkers at the Region, and in the interim the Region has used its own Senior Officers to serve as checkers to visit locations and verify that guards were on duty. In 2015, amounts totalling \$157.354M were spent and to date, no checker was employed by the Regional Administration. Additionally, the Regional Administration had discovered that the security firm would have billed both the Region and Ministry of Education for six security guards at Mahaicony Technical Institute for the year 2015, which resulted in overpayments totalling \$6.097M being made to the security firm. The Region withheld and refunded a cheque to the value of \$5.6M to the Consolidated Fund. However, amounts totalling \$496,960 were still to be recovered.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration requested the creation and filling of the position of two Security Checkers. These positions were advertised and awaiting to be filled via Public Service Commission.

*Recommendation:* The Audit Office recommends that the Regional Administration follow-up with the Public Service Ministry on the filling of these vacancies and in the mean while put systems in place to ensure value is received for all monies expended. (2015/330)

592. An examination of inventories for 2014 revealed that one 85 HP Yamaha outboard engine and one generator could not be accounted for. Checks revealed that these items were issued to senior officials of the Regional Democratic Council. The Head of Budget Agency indicated that the outboard engine was sent to a workshop for repairs. However the owner of the workshop has since died and the engine cannot be accounted for, while the generator suffered a similar fate, whereby a driver dropped it off at a workshop to be repaired and the owner of the workshop indicated that he had never received the generator.

*Region's Response:* The Head of Budget Agency indicated that this matter was brought to the attention of the Permanent Secretary, Ministry of Communities for advice on the way forward.

*Recommendation:* The Audit Office once again recommends that the Regional Administration forward a report to the Audit Office as soon as a decision on this matter is taken. (2015/331)

593. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills and/or receipts and other supporting documents. However, an examination of the Cheque Order Register for the year 2014 revealed that there were two cheque orders valued \$81,700 that were still to be cleared at the time of reporting in August 2016. In addition, eleven cheque orders valued at \$2.409M remained outstanding for the period under review. As a result, it could not be ascertained whether the Region received full value for all sums expended.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is presently pursuing the clearing of the remaining cheque orders.

*Recommendation:* The Audit Office recommends that the Regional Administration take the necessary action to have these outstanding cheque orders cleared. (2015/332)

### Capital Expenditure

594. The Regional Administration is yet to recover overpayments totalling \$2.138M made to contractors for the years 2010, 2011 and 2013 as shown in the table below:

Year	Sub-Head	Description	Amount \$'000
2010	12036	Rehab of Moraikobai Primary Sch. Lower Flat	111
2011	12036	Construction Perimeter Drain at № 8 Sec School	1,716
2013	12036	Extension to Mahaicony Secondary School	311
Total			2,138

*Region's Response:* The Head of Budget Agency indicated that efforts are being made to recover the amounts overpaid. In this regard the contractors were sent reminders of their indebtedness to the Region.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid a recurrence. (2015/333)

### Current year matters, with recommendations for improvement in the existing system

#### Current Expenditure

##### Employment Cost

595. Amounts totalling \$1.133 billion were allocated under this accounting area. As at 31 December 2015, amounts totalling \$1.132 billion were expended. Circularised instructions urge that cash payments of salaries be minimised after the introduction of the Integrated Financial Management and Accounting System (IFMAS) in 2004, and that employees be paid under the bank deposit system as stipulated by Circular № 3/2003 dated 29 September 2003. However, an examination of salaries records for the month of December 2015 revealed that the Regional Administration continued to pay cash totalling \$3.394M to forty-seven employees in contravention of the circularised instructions.

*Region's Response:* The Head of Budget Agency indicated that discussion were held with the said employees and they implored the Regional Administration to have their salaries and stipend paid via cash. In this regards, the Region will approach the Ministry of Finance on the way forward in order to accommodate these employees.

*Recommendation:* The Audit Office recommends that the Regional Administration minimise cash payments in keeping with the recommendations of the Ministry of Finance and where waivers are required because of the remoteness of the various locations, the Regional Administration should seek approval from the Ministry of Finance. (2015/334)

#### Office and Field Supplies

596. Amounts totalling \$194.639M were allocated under this accounting area. An examination of the Appropriation Account for Programme 5 (Health Services) revealed that an amount of \$77.878M was budgeted for the procurement of drugs and medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 21 December 2015, via Warrant № 8/2015 to the Ministry of Public Health valuing \$74.500M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and sent a “Nil Expenditure” financial return to the Region indicating that the amount was unexpended. As such, the Appropriation Account should have been credited with the unspent amount. This not being done resulted in the Appropriation Account being overstated by \$74.500M. Nevertheless, it was noted that the sum of \$74.500M was credited to Revenue - Sundries by the Accountant General’s Department.

*Region’s Response:* The Head of Budget Agency indicated that the Region did receive drugs on a quarterly basis from the Ministry of Public Health, however, they are unable to reconcile the drugs records with that requested via its warrant issued.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued and expended by way of warrants. (2015/335)

#### Maintenance Works

597. The sum of \$293.554M was allocated under this account area. As at 31 December 2015, the sum of \$288.205M was expended. Included in this sum were amounts totalling \$11.692M which were expended on four contracts that were not awarded to the lowest or most competitive bidders. No reasons were given why the lowest bidders were not considered.

*Region’s Response:* The Head of Budget Agency stated that the reason the lowest bidder was not awarded the contract was inadvertently not included in the Regional Tender Board Minutes, although there were discussions and valid reasons.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that its Tender Board Minutes contain more details that would enable a proper evaluation of the basis of award of each contract. (2015/336)

### Utility Charges

598. Amounts totalling \$38.366M were allocated under this accounting area. As at 31 December 2015, the entire sum was expended. An examination of the utilities registers and related payment vouchers revealed that (a) the registers were not updated; (b) invoices/bills were not always cancelled when paid; and (c) an authorised list of all telephone numbers and meters was not submitted.

*Region's Response:* The Head of Budget Agency indicated that (i) efforts are being made to update the necessary registers, (ii) systems will be put in place to ensure all invoices/bills are cancelled with a "paid stamp" and (iii) a comprehensive approved list of all telephone numbers and meters will be compiled.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that there exists an authorised list of all telephone numbers and meters (electricity and water) not just for audit scrutiny but for use by the Regional Administration to ensure that payments are only made for official and authorised telephone numbers, electricity and water meters. (2015/337)

### Other Matters

599. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public monies issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's safe revealed that there were five cheques valued at \$1.432M on hand. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount. However, at the time of reporting in September 2016, these cheques were sent to the Accountant General's Department to be updated.

*Region's Response:* The Head of Budget Agency explained that the cheques on hand will be updated and paid over to the Consolidated Fund.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure full repayment to the Consolidated Fund of all amounts remaining unpaid at the end of each financial year in compliance with the FMA Act. (2015/338)

600. In the year 2014, a truck was budgeted for in the estimates in the sum of \$9M under the Agriculture programme for the improvement of transportation in the Region. A used year "2000" model Hy-Ab (crane system) lorry with an odometer reading of 257,257 kilometres was purchased in 2014 at a cost of \$7.800M from a civil contractor and not from a recognised auto dealer. The lorry was registered on 29 January 2015 and was put into use in July 2015. The lorry was not put into use from the date of purchase in 2014 to June 2015 due to the absence of a competent driver, and, as such, suffered an electrical problem with the engine which damaged the battery. This was subsequently fixed and the battery replaced. However, the hydraulic system (crane system) had a failure when put into use. Nevertheless, this was rectified and this vehicle is currently in use by the Region.

*Region Response:* The Head of Budget Agency explained that in keeping with the procurement procedure, evaluation and award for this contract was done at the National Procurement and Tender Administration Board in November/ December of 2014. With respect to the issues highlighted to electrical and hydraulics this was rectified and it can be verified that the truck is currently in working condition.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that all purchases are made from reputable and recognised businesses and all vehicles are in good working order upon delivery. (2015/339)

601. In a related matter, the Region hired a lorry from a contractor during the period under review on twenty-seven occasions and was paid amounts totalling \$1.484M. The contracts were for the transporting of juice, biscuits, books and other items. The contracts were awarded without the relevant Tender Board approvals.

*Region's Response:* The Head of Budget Agency indicated the Regional Administration took note of the comments in the Audit Report and every effort will be made to rectify this situation and ensure the contract for services are advertised and issued by the relevant Tender Board.

*Recommendation:* The Audit Office recommends that the Regional Administration utilise the resources of the Region where necessary for the distribution of items and where the Region is unable to provide this service the Procurement Act is complied with in the awarding of any contracts to outsource this service. (2015/340)

#### Capital Expenditure

602. The sum of \$234.591M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$215.022M were expended, resulting in the Region not achieving its anticipated level of capital expenditure activities in 2015 by \$19.570M or 8.34%. Shown in the table below is the shortfall in capital expenditure:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Purchases	57,386	57,226	160
Buildings	61,995	48,824	13,171
Miscellaneous D & I	40,000	40,000	0
Public Works	75,210	68,972	6,239
Total	234,591	215,022	19,570

603. The shortfall in the above expenditure of \$19.570M was mainly as a result of the Regional Administration not being able to execute works on the enclosure of the Sputum Collection Facility and the rewiring of buildings at Mahaicony Cottage Hospital. Nevertheless the rewiring of buildings at Mahaicony Cottage Hospital was re-budgeted for in 2016. However, the Sputum Collection Facility was a project sponsored by the Ministry of Public Health and the relevant specifications were never supplied.

*Region's Response:* The Head of Budget Agency acknowledge this observation and indicated that efforts are in place for non-recurrence.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected in a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/341)

#### Public Works

604. The sum of \$75.210M was allocated for the construction of bridges at Grove/Bushlot, Catherina's Lust, Bath Settlement, rehabilitation of roads at Hoptown, Calcutta, Catherine, Golden Grove, rehabilitation of streets at Paradise, Onderneeming, Ithaca and construction of tarmac at Central Mahaicony Wharf. As at 31 December 2015, amounts totalling \$68.971M were expended.

605. The construction of green heart timber bridge at Yeoville was awarded to the highest of eleven bidders in the sum of \$2.674M without any reasons given why the other lower bidders were not considered. The scope of works was changed and authorised by the Regional Tender Board on 28 December 2015 from green heart timber bridge to reinforce concrete bridge. A new contract was signed with the contractor in the sum of \$4.716M in contravention of Procurement Act. This contract should have been retendered so as to give other bidders a fair chance to succeed in having the award for this contract.

*Region's Response:* The Head of Budget Agency notes the findings of the Auditor General on the award of the green heart timber bridge at Yeoville. The observation is noted on the preparation of a new contract for a new sum without being retendered. Steps will be pursued to avoid future occurrence.

*Recommendation:* The Audit Office recommends that the Regional Administration comply fully with the Procurement Act at all times. (2015/342)

606. An examination of the tender board minutes revealed that for eighteen projects that were awarded by the Regional Tender Board during 2015, no reasons were stated as to why these projects were not awarded to the lowest bidders.

Description	Contract Sum \$'000	Engineer Estimate \$'000	Lowest Bidder \$'000	Amount Paid \$'000	No. of Bids	Award
Rehab. Sideline Dam Calcutta NOPR	7,485	8,800	6,485	7,457	14	4 <sup>th</sup> lowest
Rehab. First Dam Onderneeming	7,415	8,150	6,111	7,415	13	12 <sup>th</sup> lowest
Rehab. Sideline Dam Cathrine	7,257	7,257	6,953	7,257	12	2 <sup>nd</sup> lowest
Upgrading of Main Street Hopetown Phase 1	7,023	7,914	5,356	7,023	9	6 <sup>th</sup> lowest
Upgrading of Main Street Hopetown Phase 2	5,606	6,191	2,782	5,606	15	8 <sup>th</sup> lowest
Con. Tarmac & Parking at C/Mcony Wharf	5,711	6,683	5,591	5,407	13	2 <sup>nd</sup> lowest
Rehab. Sideline Dam Golden Grove	5,355	6,238	4,816	5,315	13	6 <sup>th</sup> lowest
Rehab. Back Street at Hopetown	4,492	5,051	3,945	4,482	12	7 <sup>th</sup> lowest
Construction of RC Bridge at Yeoville	4,716	3,028	1,796	4,244	11	Highest
Construct. revetment at Cross Street Ithaca	2,035	2,276	1,571	1,831	14	12 <sup>th</sup> lowest
General rehab. of FWH.	7,206	8,869	6,599	7,206	8	3 <sup>rd</sup> lowest
Const. Tarmac Woodley Park Primary School	6,524	7,520	6,035	5,646	10	6 <sup>th</sup> lowest
Extension of Zeezicht Nursery School	5,845	6,501	4,735	5,845	18	12 <sup>th</sup> lowest
Extension of Lichfield Nursery	5,627	6,201	4,798	5,627	17	11 <sup>th</sup> lowest
Extension of Yeoville Nursery	5,522	6,201	4,603	5,522	18	14 <sup>th</sup> lowest
Extension of De Hoop Nursery	5,446	6,373	3,851	5,446	18	7 <sup>th</sup> lowest
Const. RC Drain at FWH	3,311	3,875	2,327	3,311	8	Highest
Rehab. of Adults Hostel Mahaicony	2,615	3,131	2,427	3,150	9	3 <sup>rd</sup> lowest

*Region's Response:* The Head of Budget Agency stated that the reason the lowest bidder was not awarded the contract was inadvertently not included in the Regional Tender Board Minutes, although there were discussions and valid reasons.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that its tender board minutes contain more details that would enable a proper evaluation of the basis of award of each contract. (2015/343)

607. The Regional Administration was in breach of the Stores Regulations since they did not maintain a Master Inventory. Files were maintained by the Field Audit Department as Sectional Inventory, however, these files were not updated with the 2015 purchases of capital items nor were the purchases for 2015 marked.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will take action to ensure all permanent stores are marked while efforts will be made to ensure a Master Inventory is kept and updated.

*Recommendation:* The Audit Office once again recommends that the Regional Administration take immediate steps to ensure that the Stores Regulations are complied with, as it relates to the marking of assets and the recording of items purchased. (2015/344)

AGENCY 76  
REGION 6 – EAST BERBICE/CORENTYNE

Prior year matters, which have not been resolved

Current Expenditure

608. Fourteen and seventeen employees were overpaid net salaries for the years 2012 and 2014, respectively with the related deductions also being overpaid to the various agencies. Although the Regional Administration made some progress with recovery of these overpayments, this situation recurred in 2015 with nine employees being overpaid. However, to date there has been no progress with the recovery of the deductions paid over to the various agencies as shown below:

Year	Gross Salaries \$	Net Salaries Overpaid \$	Salaries Recovered \$	Amount Outstanding \$	Related Deductions Overpaid \$
2012	383,205	337,613	17,622	319,991	45,592
2014	597,920	535,098	123,240	411,858	62,822
2015	405,256	354,077	293,091	60,936	51,179
Total	1,386,381	1,226,788	433,953	792,785	159,593

609. In a related matter, unpaid net salaries totalling \$9.838M were refunded to the Consolidated Fund for the years 2012 to 2014. However, the related deductions totalling \$2.075M paid to various agencies were still not recovered. Similarly, for 2015, amounts totalling \$1.471M were refunded to the Consolidated Fund as unpaid salaries for thirty-six employees and the related deductions of \$308,946 paid to the various agencies were also not recovered.

*Region's Response:* The Head of Budget Agency indicated that efforts are being made to recover all outstanding monies owed to the Administration from past employees. However, these efforts have not yielded the required results as most of the former employees have migrated or moved to other location. A decision has now been taken to publish the names of those former employees, requesting that they make contact with the Regional Accounting Unit to settle all outstanding debts. With respect to deductions paid over to NIS and GRA respectively, the Administration is continuously engaging these two agencies to recover same. The Guyana Revenue Authority has since given stipulated guidance toward the recovery of monies owing which is currently being explored.

*Recommendation:* The Audit Office once again recommends that the Regional Administration follow-up this matter with the relevant officers and agencies with the view of recovering all amounts over paid. (2015/345)



610. Fundamental breaches of internal controls led to fuel and lubricants valued at \$21.964M not being accounted for at Whim Stores, Manarabisi and Black Bush Polder pump stations in 2007 and 2008. Additional information was provided by the Audit Office to the Police since 2013, however, at the time of reporting, the Region was asked by the Office of the Commissioner of Police, to make contact with the Senior Superintendent at the Criminal Investigation Department for necessary action.

*Region's Response:* The Head of Budget Agency indicated that it is currently awaiting the conclusion of the Police Investigation to take further action, where necessary. However, measures have been taken to ensure documents are properly maintained and periodic supervisory checks are also being carried out to eliminate any chances of recurrence. In addition, in a recent reply from the Office of the Commissioner of Police, the Region was asked to make contact with the Senior Superintendent at the Criminal Investigation Department for necessary action.

*Recommendation:* The Audit Office once again recommends that the Regional Administration pursue this matter with the Police in order to resolve same. (2015/346)

611. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills and/or receipts and other supporting documents. However, based on our examination it was observed that cheque orders were being cleared on average of forty-five days after they were issued. As at July 2016, two hundred and ninety-four cheque orders valued at \$155.171M remained outstanding for the years 2010 to 2015. As a result, it could not be ascertained whether the Region received full value for all sums expended. Shown below is the status of outstanding cheque orders at the time of reporting in September 2016:

Year	Nº Of Cheque Orders	Amount \$'000
2010	63	20,300
2011	34	12,465
2012	32	29,073
2013	74	47,556
2014	56	19,228
2015	35	26,549
Total	294	155,171

*Region's Response:* The Head of Budget Agency indicated that it is presently making every effort to locate all prior years outstanding cheque orders (vouchers) by compiling a list of all present and former employees who signed to uplift the cheque orders (vouchers) so that they can advise the Administration as to the whereabouts of these so that they can be cleared. In addition, the practice of employees uplifting cheque orders to pay suppliers has been discontinued and all payments are now done centrally by the Regional Accounting Unit.

*Recommendation:* The Audit Office recommends that the Regional Administration renew its efforts to have these long outstanding cheque orders cleared and submit the necessary documentation to the Audit Office for verification. (2015/347)

### Capital Expenditure

612. The Regional Administration is still to recover overpayments totalling \$9.159M made on fourteen contracts for the year 2010, 2011 and 2013 as shown below.

Year	Sub Head	Description	Amount \$'000	Amount recovered \$'000	Amount Outstanding \$'000
2010	11007	Reconstruction of the Johanna/Yakusari High Bridge	160	0	160
“	11007	Reconstruction of timber revetment at Tain	263	0	263
“	14010	Rehabilitation of Cross Street, Bloomfield	154	0	154
“	14010	Rehabilitation of Last Street, Canefield	851	0	851
“	12040	Extension of Drugs Bond, New Amsterdam	863	0	863
2011	13010	Timber Revetment at Orealla	913	474	439
“	13010	Construction of reinforced concrete bridge at Germania	185	23	162
“	13010	Re-construction of concrete bridge at Johanna, BBP	700	0	700
“	14010	Rehabilitation of Grant 1780 Second Cross Street CWC	3,561	0	3,561
“	12039	Rehabilitation of Canje Secondary School Phase 2	370	285	85
“	12039	Skeldon Line Path Secondary	214	0	214
“	12040	New Amsterdam Hospital Bond	875	0	875
2013	12039	Construction of Albion Front Nursery - Phase 2	659	300	359
“	“	Rehabilitation of № 71 First Street	573	100	473
Total			10,341	1,182	9,159

*Region's Response:* The Head of Budget Agency indicated that apart from writing the contractors, they had held several meetings with the contractors where they were admonished to refund the amount overpaid. However, no additional refunds were received so the Administration is looking at the possibility of withholding payments to contractors who have not yet settled their indebtedness.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid a recurrence. (2015/348)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Employment Cost

613. Circularised instructions required all employees to have personal bank accounts into which their salaries would be deposited. However, an examination of salaries records for December 2015 revealed that the Regional Administration continued to pay cash to employees in contravention of the circularised instructions. Such payments were made to one hundred and thirty-one employees and totalled \$15.540M. At the time of reporting, this had reduced to twenty-eight employees totalling \$1.933M.

*Region's Response:* The Head of Budget Agency explained that it has since taken action on this matter and as at September 2016 there were twenty-eight employees who are still in receipt of cash salaries totalling \$1,932,828. These employees were written to open bank accounts into which their salaries would be paid.

*Recommendation:* The Audit Office once again recommends that the Regional Administration follow-up this matter with the relevant officers to ensure that they comply fully with the circular. (2015/349)

Office and Field Supplies

614. Amounts totalling \$777.596M were allocated under this accounting area. As at 31 December 2015, amounts totalling \$759.396M were expended. Included in this amount is the sum of \$286.129M which was expended on the purchase of fuel and lubricants for consumption by vehicles, plant and equipment owned and operated by the Region. A physical count of fuel and lubricants at the Whim Stores was carried out on the 22 June 2016 and the following differences were noted.

Description	Unit	Physical Count	Stock Ledger Balance	Excess/ (Shortage)	Value \$'000
Dieselene	Litre	5,281	3,134	2,147	307
15W 40 Oil	Pint	1,788	1,456	332	221
Gear Oil 90	Pint	1,146	963	183	133
Hyspin № 68	Pint	176	24	152	90
Lube Oil № 50	Pint	104	248	(144)	85

*Region's Response:* The Head of Budget Agency explained that the Region is in the process of conducting a reconciliation of all the purchases and issuance of fuel and lubricants.

*Recommendation:* The Audit Office recommends that the Regional Administration take urgent action to ensure strict compliance with the Stores Regulations at all times. (2015/350)

615. An examination of the Appropriation Account for Programme 5 (Health Services) revealed that an amount of \$197.244M was budgeted for the procurement of drugs and medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 14 December 2015, via Warrant № 01/2015 to the Ministry of Public Health valuing \$157.309M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry expended the sum of \$5.371M for the purchase of drugs for Region 6 but sent a 'Nil' financial return to the Region. As a result, (i) the amount \$151.938M was unspent (ii) the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated, and (iii) the financial return to notify the Region of the unexpended sum was inaccurate.

*Region's Response:* The Head of Budget Agency noted the finding and indicated that efforts will be made to obtain an accurate financial return from the Ministry of Public Health.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/351)

#### Maintenance Works

616. The sum of \$518.738M was allocated under this account area. As at 31 December 2015, the sum of \$504.853M was expended. An examination of the various contracts awarded revealed that seventy-nine contracts valued at \$147.586M were not awarded to the lowest or most competitive bidder, whilst amounts totalling \$3.799M in relation to the contract for the rehabilitation of New Amsterdam Psychiatric Hospital was returned to the Accountant General on the 30 June 2015.

*Region's Response:* The Head of Budget Agency stated that the reason the lowest bidder was not awarded the contract was inadvertently not included in the Regional Tender Board Minutes.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that its tender board minutes contain more details that would enable a proper evaluation of the basis of award of each contract. (2015/352)

### Other Matters

617. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's safe revealed that there were two hundred and twenty-seven cheques valued at \$70.284M on hand while there were thirteen cheques valued at \$2.107M at the Regional Accounting Unit. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount. However, at the time of reporting, the two hundred and twenty-seven cheques totalling \$70.284M were sent to the Accountant General's Department to be updated.

*Region's Response:* The Head of Budget Agency explained that efforts will be made to update and pay over the cheques to the relevant contractors/suppliers and where necessary the Consolidated Fund.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure full repayment to the Consolidated Fund of all amounts remaining unpaid at the end of each financial year in compliance with the FMA Act. (2015/353)

618. Circularised instructions state that for the occupation of Government quarters, Public Servants are required to pay rent of 10% and 12% of their salary for unfurnished and furnished accommodation respectively, except where entitlement to rent-free Government quarters had been previously approved, as a condition of service. Audit checks revealed that of the eighty seven residential buildings controlled by the Regional Administration, seventy two were occupied by Officers of the Region, however, the Regional Administration was not in receipt of rents from these occupants nor were they able to furnish information whether these quarters were furnished.

*Region's Response:* The Head of Budget Agency explained that it received information/circularised instructions from the Public Service Ministry clarifying the Public Servants who are required to pay rent and is currently reviewing the list of occupants on a case by case basis to determine those persons who will be required to pay rent.

*Recommendation:* The Audit Office recommends that the Regional Administration complete this activity and take the necessary steps to ensure all outstanding amounts for rent are collected and deposited into the Consolidated Fund. (2015/354)

619. The Regional Administration was in breach of the Stores Regulations since they did not maintain a Master Inventory.

*Region's Response:* The Head of Budget Agency indicated that the Region is in the process of compiling a Master Inventory. As soon as this exercise is completed, the Master Inventory will be presented for Audit verification.

*Recommendation:* The Audit Office recommends that the Ministry take immediate steps to ensure that the Stores Regulations are complied with, as it relates to the maintenance of the Master Inventory. (2015/355)

### Capital Expenditure

620. The sum of \$260.620M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$234.540M were expended, resulting in the Region not achieving its anticipated level of capital expenditure activities in 2015 by \$26.080M or 10%. Shown in the table below is the shortfall in capital expenditure:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Purchases	98,850	74,755	24,095
Buildings	41,400	41,400	0
Miscellaneous D & I	50,410	50,410	0
Public Works	69,960	67,975	1,985
Total	260,620	234,540	26,080

621. The shortfall in the above expenditure of \$26.080M was mainly as a result of the Regional Administration not procuring ambulances and vehicles for the Health Services. Nevertheless, the procurement of the ambulances were re-budgeted for in 2016.

*Region's Response:* The Head of Budget Agency acknowledge this observation and indicated that efforts are in place for non-recurrence.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects/purchase during the earlier part of the year so that any problem or issues encountered can be detected within a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/356)

### Buildings

622. The sum of \$41.400M was allocated for the completion of building at Springlands, the construction of sanitary blocks at Skeldon Primary and Black Bush Polder Secondary Schools, rehabilitation of Leeds Primary School, completion of outpatient building at New Amsterdam Hospital, upgrading of theatre block at Skeldon Hospital and upgrading of electrical system and provision for installation of generator at New Amsterdam Hospital. As at 31 December 2015, the entire sum was expended.

623. The contract for the construction of the Outpatient Department building, Phase 2 at New Amsterdam Hospital was awarded in the sum of \$7.990M to the sixth lowest of seven bidders. There was an approved variation of \$1.006M giving a final project cost of \$8.196M against an Engineer's Estimate of \$8.979M. As at 31 December 2015, the contractor was paid in full. At the time of the physical verification, the works were deemed completed, however, the final payment voucher was not seen. As such, payments made could not be correlated with the measured works to determine whether or not the total payment for actual works completed was fair and reasonable. In addition, it was noted that the scope of works was significantly altered after the award of the contract resulting in ceiling works, electrical installations, painting and finishes, tiling and internal panel doors not completed. We were advised that other works were completed instead; however, no variation orders or approvals were seen.

*Region's Response:* The Head of Budget Agency explained that other works were completed in lieu of these works.

*Recommendation:* The Audit Office recommends that the Regional Administration seek the necessary approvals before variations are made since the variations resulted in a significant change in scope of work from the original contract signed. In addition, the reason/justification for the change in scope of work should be documented in the minutes of the Tender Board. Further, this change in scope of works resulted in the partial construction of a two flat building that is incomplete and cannot be used, instead of the original one flat building as per original contract. (2015/357)

624. The contract for the construction of a new building for the Student Hostel at Springlands - Phase 2 was awarded in the sum of \$5.413M to the fifth lowest of ten bidders. There was an approved variation of \$1.428M giving a final project cost of \$6.841M against an Engineer's Estimate of \$7.006M. As at 31 December 2015, the contractor was paid in full. However, a physical verification revealed an overpayment of \$1.017M as follows:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$
7	Painting and Decoration						
7.2	Prime, stop and then apply (2) two coats semi gloss emulsion paint to concrete surfaces generally	985	759	m <sup>2</sup>	226	600	135,600
9	Concreting of Yard						
9.1	Excavate, level and remove top soil not exceeding 4" deep	144.4	91	m <sup>2</sup>	53.4	100	5,340
9.2	Supply, place and compact 4" thick white sand	144.4	91	m <sup>2</sup>	53.4	2,000	106,800
9.3	Supply and install № 65 BRC fabric	144.4	91	m <sup>2</sup>	53.4	500	26,700
9.4	Supply, cast and place 1:2:4 concrete mix 4" thick	144.4	91	m <sup>2</sup>	53.4	4,000	213,600
	Unprogrammed Works						
5	Shed						
5.1	Supply and install 5"x5" Kab columns	36.5	18.4	L/m	18.1	2,800	50,680
5.3	Supply and install 2"x8" hip rafters	33	14.6	L/m	18.4	1,800	33,120
5.4	Supply and install 2"x6" Kab common rafters	150	39.3	L/m	110.6	1,350	149,310
5.6	Supply and install 1"x10" sheet laths	66	33	L/m	33	1,125	37,125
5.7	Supply and install 1"x6" sheet laths	150	39.5	L/m	110.5	675	74,587
5.8	Supply and install 27 gauge pre painted corrugated galvalumned sheets to roof	80	34	m <sup>2</sup>	46	3,000	138,000
5.9	Supply and install 27 gauge pre painted 30" girth ridge roll as directed	33	16.5	L/m	16.5	2,800	46,200
Total							1,017,062

*Region's Response:* The Head of Budget Agency will investigate the overpayment and make every effort to recover the amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration vigorously follow-up this matter so that the amount overpaid could be recovered and ensures that all completed works are accurately measured, quantified and paid for accordingly in the final account. (2015/358)



AGENCY 77  
REGION 7 - CUYUNI/MAZARUNI

Prior year matters, which have not been resolved

Current Expenditure

625. Deductions totalling \$637,509 for the years 2011, 2012 and 2014 that were overpaid to the Guyana Revenue Authority (GRA), National Insurance Scheme (NIS) and other agencies were still not recovered. Shown in the table below are the details of the overpayments:

Years	GRA Paid Over \$	GRA Recovered \$	NIS Paid Over \$	Others \$
2011	210,295	0	87,162	0
2012	18,577	0	215,849	0
2014	19,888	0	68,048	17,690
Total	248,760	0	371,059	17,690

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration would have written the relevant authority for a refund; however, to date a favourable response was not received despite several reminders.

*Recommendation:* The Audit Office once again recommends that the Regional Administration vigorously follow-up this matter with the Agencies concerned so that the amounts overpaid be recovered. (2015/359)

626. As at 31 December 2007, there were shortages in stock of fuel and lubricants valued at \$1.398M for the years 2001 to 2006, which was yet to be written off. At the time of the audit in August 2016, the Regional Administration was still awaiting a decision from the Ministry of Finance as it relates to the writing off of these losses.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has written the relevant authority on this matter and is still awaiting a decision.

*Recommendation:* The Audit Office once again recommends that the Regional Administration pursue this matter with the Finance Secretary in order to bring closure to same. (2015/360)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Employment Cost

627. An examination of payroll records for the Regional Administration revealed that a National Insurance Remittance Register was not maintained for the year under review. In addition, receipts in relation to remittances to the NIS for the month of October 2015 totalling \$7.235M were not presented for audit scrutiny. As a result, the validity of these payments could not be verified.

*Region's Response:* The Head of Budget Agency explained that the Regional Administration has since acquired all requested information and the records are being updated. The National Insurance Scheme has since been written to for certified copies of the receipts. The Administration wishes to acknowledge this shortfall and gave assurance that systems are in place to correct this situation.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that all required records are properly maintained and presented for audit examination. (2015/361)

628. Circularised instructions urge that cash payments of salaries be minimised after the introduction of the Integrated Financial Management and Accounting System (IFMAS) in 2004, and that employees be paid under the bank deposit system as stipulated by Circular No 3/2003 dated 29 September 2003. However, the Regional Administration failed to comply with the circular. In December 2015, there were three hundred and one cash paid employees whose salaries amounted to \$27.556M. Two hundred and sixty-six of these employees were living in Sub-Regions while the remaining thirty-five who were paid amounts totalling \$4.221M were living within the district. In addition, salaries uplifted by third party were issued with authorisation but without any form of identification. This situation would have security issues and could also result in financial irregularities.

*Region's Response:* The Head of Budget Agency explained that the Regional Administration wishes to acknowledge the stipulation by Circular No 3/2003 dated 29 September, 2003 and clarify that Bartica and its immediate environs are expected to comply because of the accessibility of numerous banking systems. However, both the Upper and Middle Mazaruni Districts are in further remote hinterland locations with no accessibility to banking facilities.

*Recommendation:* The Audit Office recommends that the Regional Administration minimise cash payments in keeping with the recommendations of the Ministry of Finance and where waivers are required because of the remoteness of the various locations, the Regional Administration should seek approval from the Ministry of Finance. (2015/362)

### Office and Field Supplies

629. An examination of the Appropriation Account for Programme 4 (Health Services) revealed that an amount of \$25.726M was budgeted for the procurement of drugs & medical supplies while an amount of \$25.714M was shown as having been expended. Included in the amount of \$25.714M is an Inter-Departmental Warrant issued on 17 November 2015 to the Ministry of Public Health for \$22M, to purchase drugs and medical supplies on behalf of the Region. Audit checks revealed that the Ministry was unable to execute the purchase and failed to send financial return to the Region for the unexpended sum. As a result, the Regional Administration did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$22M. Nevertheless, it was noted that the sum of \$22M was credited to Revenue – Sundries by the Accountant General’s Department.

*Region’s Response:* The Head of Budget Agency acknowledged the deficiency. In addition, the Administration usually requests drugs and medical supplies through Combined Requisition and Issue Voucher (CRIV) to the Material Management Unit through the Ministry of Public Health to supply all drugs and medical supplies for the Region.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/363)

630. Section 10 of the Stores Regulations requires all permanent stores to be procured from capital expenditure. However, during the period under review, amounts totalling \$1.108M were expended from current expenditure to purchase assets.

*Region’s Response:* The Head of Budget Agency indicated that the Administration accepts the findings with regards to the expenditure of \$1.108M and hereby assures Audit Office that systems are being put in place for this discrepancy not to be a reoccurring factor in the future.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that the Stores Regulations are complied with at all times and that expenditures are incurred under the correct allocation. (2015/364)

### Utility Charges

631. The Regional Administration expended \$37.411M on utilities charges for the year 2015. An examination of the records maintained and presented by the Administration in support of these expenditures revealed the following unsatisfactory features:

- (a) there was no evidence to substantiate that expense voucher № 7702266 paid on 22 December 2015 for electricity charges amounting to \$447,515 was examined and passed for payment;

- (b) utility registers for electricity, telephone and water charges which contain telephone and meter number, billing amount and amount paid among other information were maintained. However, an authorised list of telephone numbers and meters (electricity and water) under the Administration control were not presented for audit scrutiny. As a result, it could not be ascertained if monies expended were for authorised telephone numbers and meters under the Regional Administration control;
- (c) according to the account analysis, amounts totalling \$34.385M were expended in relation to telephone and electricity charges during 2015. However, the registers maintained reflected a difference of \$2.722M as shown in the table below; and

Description	Account Analysis \$'000	Register \$'000	Difference \$'000
Telephone Charges	2,835	2,994	(159)
Electricity Charges	31,550	28,669	2,881
Total	34,385	31,663	2,722

- (d) the registers were not accurately maintained, there were nineteen instances totalling \$159,686 where amounts were charged to one program in the account analysis and recorded in another in the registers.

*Region's Response:* The Head of Budget Agency indicated that (a) the situation has since been rectified; (b) the Administration is in the process of having a list compiled and presented to your office as soon as possible; (c) the Administration has since rechecked all registers for utilities being charged to the Region and our analysis proves that all our figures are in order; and (d) systems will be put in place for this to be remedied.

*Recommendation:* The Audit Office once again recommends that the Regional Administration provide the Audit Office with a certified list of all telephone numbers and meters numbers for electricity and water and to ensure that utility records are reconciled promptly and accurately to reflect the amount expended. (2015/365)

#### Maintenance Works

632. The contract for the maintenance of section of Caribese Road Network, Bartica was awarded by the Regional Tender Board in the sum of \$4.882M to the highest responsive of three bidders. However, this award was not in keeping with the recommendations of the Tender Evaluation Committee. The Engineer's Estimate was \$5M, while the lowest responsive bid was \$4.403M. The works comprise scarifying, shaping and compacting of the existing carriageway, construction of crusher run base and Double Bituminous Surface Treatment (DBST) finished surface. There was an approved variation of \$3.184M giving a revised project cost of \$8.066M. As at 31 December 2015, the full amount was paid to the contractor. At the time of physical verification by the Audit Office, the works were completed.

*Region's Response:* The Head of Budget Agency indicated that the findings have been noted.

*Recommendation:* The Audit Office recommends that the Regional Administration provide the Audit Office with the justification for (i) not adhering to the Evaluation Committee recommendation; (ii) awarding the contract to the highest responsive bidder; and (iii) varying the contract more than 65% of the original award. (2015/366)

*Stores and Other Public Property*

633. The Regional Administration did not adhere fully to the Stores Regulations for the period under review. An audit inspection revealed that several important records were not maintained as required by the Stores Regulations such as Immediate Use Register, Loan Register, Register of Government Buildings, Historical Record of vehicles, plant and equipment, Master and Sectional Inventories.

*Region's Response:* The Head of Budget Agency indicated that the findings have been noted and assures the Audit Office that systems will be put in place to regularise the accountability of the Regional Stores.

*Recommendation:* The Audit Office recommends that the Regional Administration complies with the Stores Regulations at all times. (2015/367)

634. An examination of records relating to the vehicles and equipment owned and operated by the Regional Administration revealed the following:

- (a) of the eighty-two serviceable vehicles/machinery/equipment for which log books were required to be maintained and submitted for audit examination, only twenty-two were submitted, leaving sixty outstanding;
- (b) log books were produced for one motor cycle and eight equipment, however; these assets were not recorded on the listings presented; and
- (c) it was observed that log books were not properly written up; departure and arrival time and fuel consumption were not recorded.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since taken measures to ensure the listing of assets is updated and log books are maintained.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with the Stores Regulations at all times. (2015/368)

Other Matters

635. An examination of vouchers relating to payments made in 2015 revealed the following unsatisfactory features:

- (a) five payment vouchers totalling \$2.796M relating to payments made in 2015 were not presented for audit examination at the time of audit in August 2016. As a result, the propriety of the payments could not be determined or whether value was received for the money spent; and
- (b) there were forty-three payment vouchers totalling \$28.163M which were not supported with receipt/bill.

*Region's Response:* The Head of Budget Agency indicated that (a) the three payment vouchers totalling \$1.407M were submitted to the Sub-Treasury Department while the Region is working with the Regional Sub-Treasury Department to find the remaining two payment vouchers; and (b) the forty-three payment vouchers totalling \$28.163M were direct payments to individuals and they have signed on the vouchers which are provided as evidence of receipt/bill and which has been the practice.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) locate and present these payment vouchers for audit verification; (b) ensure that payment vouchers have the necessary supporting documents; and (c) comply with the Procurement Act at all times. (2015/369)

636. The Regional Administration received \$130.521M in warrants during the year and expended \$128.528M of the amount as at 31 December 2015. An examination of the records maintained by the Administration with respect to these warrants revealed the following unsatisfactory features:

- (a) a Warrant Register was not maintained by the Regional Administration. As a result, financial returns presented could not be verified;
- (b) financial returns were not presented for two warrants received totalling \$1.385M;
- (c) nineteen financial returns presented for audit were not evident with the signature of the person preparing same; and
- (d) none of the thirty-nine returns presented for audit scrutiny were certified or approved by the Accounting Officer or a designated official. As a result, the validity of these documents could not be ascertained.

*Region's Response:* The Head of Budget Agency has noted the findings and indicated that systems are being put in place to prevent reoccurrences in the future.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that all warrant are properly accounted for, recorded and monitored and financial returns prepared and submitted. (2015/370)

637. An examination of the Controlled Forms Register revealed that the register was not properly maintained. In addition, information pertaining to name and signature of receiving officers and date books were issued were not always evident. Further, receipt books were not issued in sequential order.

*Region's Response:* The Head of Budget Agency has noted the findings and indicated that systems are being put in place to prevent recurrence in the future.

*Recommendation:* The Audit Office recommends that the Regional Administration put systems in place to address these shortcomings. (2015/371)

638. A sample of one hundred and twenty-six contract documents/files was requested from the Regional Administration for audit verification. However, thirty-two were not presented for audit scrutiny.

*Region's Response:* The Head of Budget Agency indicated that the requested documentation was kept by the Sub-Treasury Department of Region № 7.

*Recommendation:* The Audit Office recommends that the Regional Administration locate and present the contract documents/files for audit examination. (2015/372)

639. Contract Register maintained by the Accounts Department was not properly and accurately written-up. Payments made could not be easily traced, payment voucher numbers were not recorded and information pertaining to date contracts were entered into and payments made were not accurate.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration acknowledges its inconsistencies and has since put systems in place to prevent recurrence of this issue.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that the contract register is properly written-up and it is checked on a regular basis by a senior officer. (2015/373)

### Capital Expenditure

640. The sum of \$138.084M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account amounts totalling \$132.063M were expended. As a result the Region did not achieve its anticipated level of expenditure for the year by \$6.021M or 4.36% as shown in the table below.

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Public Works	28,410	26,057	2,353
Buildings	48,899	45,293	3,606
Purchases	60,775	60,713	62
Total	138,084	132,063	6,021

641. The shortfall in expenditure was mainly as a result of projects not being completed for the rehabilitation to (a) section of Agatash Main Access Road; (b) living quarters at Waramadong; and (c) retention payments on contracts. Nevertheless, these were re-budgeted for in 2016.

*Region's Response:* The Head of Budget Agency indicated the Administration acknowledges its inconsistencies and has put systems in place prevent recurrence of this issue.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects/purchase during the earlier part of the year so that any problem or issues encountered can be detected in a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/374)

#### Public Works

642. The amount of \$28.410M was budgeted to be spent on completing roads at Caribese Hill and Mora Point, rehabilitation of roads at Agatash, construction of a bridge at Wax Creek and revetment at Byderabo. As at 31 December 2015, amounts totalling \$26.057M was expended as follows:



Description of works	Amount Expended \$'000
Rehabilitation of Section of Agatash Main Access Road	11,856
Construction of Revetment at Byderabo	6,300
Construction of Pedestrian Bridge at Wax Creek	4,978
Construction of Road at Track X Caribese Hill	2,446
Upgrading of road at Mora Point	477
Total	26,057

643. The contract for general rehabilitation to section of Agatash Main Access Road, Bartica was awarded by the National Procurement and Tender Administration Board on 30 December 2015 in the sum of \$14.842M. The contract was subsequently signed on 31 December 2015, with a duration of sixty days from the date of signing. The works comprise scarifying, shaping and compacting of the existing carriageway, excavation of roadside drains, construction of crusher run base and asphalt finished roadway. The contractor received an advance payment of \$11.856M representing 79.87% of the contract sum, on 15 January 2016. However, the contract allows for only 40% Mobilisation Advance. In addition, the Standard Bidding Documents for Government of Guyana contracts only allows for 30% Mobilisation Advance for this Region and as such, the issuing of an advance payment in this amount is clearly not in keeping with the Procurement Regulations.

*Region's Response:* The Head of Budget Agency indicated that the first payment was made through an Insurance Bond of 79.87% of the contract sum because the project was awarded by NPTAB on 31 December 2015.

*Recommendation:* The Audit Office recommends that the Regional Administration comply fully with the Procurement Act at all times. (2015/375)

644. At the time of the physical verification by the Audit Office, the works were completed, however, the final payment voucher was not presented for audit examination. As a result, the payment made could not be correlated with the measured works to determine whether or not the total payment for actual works completed was fair and reasonable.

*Region's Response:* The Head of Budget Agency indicated that at the time of audit the final payment was in process and as a result was not available for audit examination.

*Recommendation:* The Audit Office recommends that the Regional Administration presents this voucher for audit examination and ensures in future all vouchers and documents are readily available for audit examination. (2015/376)

### Capital Purchases

645. The amount of \$60.775M was budgeted to be spent on purchasing vehicle, ATV, boats, outboard engines, cupboards, nursery set, computers, desks, benches, beds, tables, chairs, refrigerators, televisions, radios, photocopiers, shredder, fans, dining sets, wardrobes, stoves, solar system, generators, patient monitors, delivery beds, nebulizers, otoacoustic emission screeners, otoscopes, audiometer, emergency trolleys, patient beds and automatic film processor.

646. According to the Appropriation Account, as at 31 December 2015, amounts totalling \$60.713M were expended. An examination of the records and related documents revealed the following unsatisfactory features:

- (a) eleven instances were noted where purchases made by the Regional Administration were split to avoid adjudication by the Regional Tender Board; and
- (b) two hundred and eighty-nine items valued at \$27.180M were not marked to readily identify them as property of the Government.

*Region's Response:* The Head of Budget Agency acknowledges its inconsistencies and indicated that (a) systems have since been put in place to prevent recurrence of these issues; and (b) with the employment of the Stock Verifier, the situation of identifiable marking of Government property will be remedied.

*Recommendation:* The Audit Office recommends that the Regional Administration comply fully with the Procurement Act and the Stores Regulations at all times. (2015/377)

AGENCY 78  
REGION 8 - POTARO/SIPARUNI

Prior year matters, which have not been resolved

Current Expenditure

647. At the time of audit in June 2016, the Regional Administration had still not recovered the related deductions totalling \$267,750 in respect of unpaid net salaries amounting to \$1.779M which were refunded to the Sub-Treasury during 2012. In the previous audit report, it was noted that the relevant agencies were written to but there was only a refund of \$9,956 from one agency. Similarly, during 2013 amounts totalling \$2.329M were refunded to the Sub-Treasury as unpaid net salaries, while the related deductions amounting to \$349,169 were overpaid to the relevant agencies. It should be emphasised that the failure to recover the deductions would result in overpayments to the various agencies and a corresponding over-statement of the Appropriation Accounts.

*Region's Response:* The Head of Budget Agency explained that the Regional Administration had written to the relevant agencies to recover the amounts overpaid. However, to date no favourable response was received.

*Recommendation:* The Audit Office once again recommends that the Regional Administration follow-up this matter with the relevant officers and agencies with the view of recovering the amounts overpaid. (2015/378)

648. In a related matter, during the year 2015 there were ninety-one leavers. An audit examination of the records for the leavers revealed that six persons were overpaid salaries amounting to \$389,968, whilst the related deductions totalling \$15,308 were also overpaid to the various deduction agencies. This was as a result of pay changes directives not being forwarded in a timely manner by the Personnel Department to the Regional Accounting Unit. Similarly, during 2014, net salaries totalling \$245,210 were overpaid to four employees, while the related deductions amounting to \$34,250 were also overpaid to the relevant agencies.

*Region's Response:* The Head of Budget Agency explained the salaries for two officers were returned to IFMAS for the cheques to be cancelled, this was due to information regarding their absence and subsequent resignation being received late by the Accounting Unit.

*Recommendation:* The Audit Office recommends that the Regional Administration make every effort to recover the amounts overpaid to the officers and various deduction agencies. (2015/379)

649. An examination of the payroll records of the Regional Administration during the year under review revealed that fourteen employees were without National Insurance Scheme (NIS) numbers. However, NIS was deducted and remitted for eight of these officers. In addition, eighty-seven employees had temporary NIS numbers. Similar observations were made in previous year's reports. It should be emphasised that the non-registration with the Scheme has implications for Social Security and other benefits.

*Region's Response:* The Head of Budget Agency explained that this issue is currently being addressed with the receipt of copies of NIS cards to verify information and to effect the necessary changes to the salary records.

*Recommendation:* The Audit Office once again recommends that the Regional Administration ensure all employees are registered with the Scheme. (2015/380)

650. The Regional Administration expended amounts totalling \$27.422M on the procurement of fuel and lubricants for the year 2015 on a credit basis from a local representative of Guyana Oil Company (GUYOIL) in the Region. However, reconciliations of payments made against fuel and lubricants received by the Region were not done. As a result, it was difficult to determine if the Region received all fuel and lubricants paid for. Similar observations were made in previous year's reports.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is currently putting systems in place to ensure proper reconciliations are being done.

*Recommendation:* The Audit Office once again recommends that the Regional Administration take action to introduce measures for strict control over acquisitions of fuel, while implementing a process of monthly reconciliation with the supplier. (2015/381)

651. The Regional Administration was still to recover overpayments totalling \$4.710M made on the following contracts during the years 2011 and 2012.

Year	Description	Amount Overpaid \$'000
2011	Repairs to Kanapang Teacher's Quarters	1,618
"	Repairs to Hand Rail Bridge at Mahdia	296
2012	Revetment at Mahdia Dorms	1,626
"	Repairs to Kato Cottage Hospital Fence	617
"	Repairs to Micobie Bridge	207
"	Repairs to Kato Bridge	346
Total		4,710

*Region's Response:* The Head of Budget Agency explained that the overpayments were investigated and the contractors were written to. However, to date no repayment was made. The Regional Administration will now engage the Ministry of Communities on the way forward.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid recurrences. (2015/382)

652. The Regional Administration was yet to recover mobilisation advances totalling \$4.072M paid on contracts which were terminated due to failure to complete the works within the contractual period, as shown below:

Contract Number	Name of Project	Contract Sum \$'000	Amount \$'000
14/12	Repairs to Paramakatoi Dormitory	5,592	1,119
15/12	Repairs to Mahdia Dormitory School Fence	2,703	270
20/12	Rehab. of Paramakatoi Primary School Annex	3,036	607
22/12	Rehab. of Paramakatoi Health Centre	1,736	347
43/12	Repairs to Chiung Mouth Primary School	2,003	401
60/12	Repairs to Monkey Mountain Primary School	3,825	765
61/12	Repairs to Monkey Mountain Primary School Annex	2,816	563
Total		21,711	4,072

*Region's Response:* The Head of Budget Agency explained that all the above overpayments were for one contractor who has since migrated. The Regional Administration will now engage the Ministry of Communities on the way forward.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid recurrences. (2015/383)

653. The Stores Regulations require that log books be maintained for all motor vehicles, plant, machinery and equipment. However, it was difficult to ascertain if the Regional Democratic Council was in compliance since no log books were presented for audit examination. As a result, it could not be determined if the journeys were authorised and if proper accountability was exercised regarding the expenditure relating to fuel. A similar observation was made in the previous year's audit.

*Region's Response:* The Head of Budget Agency indicated that logs books have since been issued for all vehicles and were put in use from the beginning of 2016.

*Recommendation:* The Audit Office recommends that the Ministry maintain log books for all vehicles which required this record, and ensure that all pertinent information is recorded therein. Further, for those vehicles which were not in use, an annotation should be made in the relevant log books. (2015/384)

654. There continued to be breaches of the Stores Regulations, specifically as it relates to the maintenance of the Stores Ledger in the Accounting Unit, the Sectional and Master Inventories and the maintenance of a gift register by the Regional Administration.

655. From a sample of fifty items selected for physical count at the Regional Stores, it was noted that bin cards were not updated for nineteen items while bin cards were not presented for ten items. In addition, there were several instances of shortage of high value items.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will make efforts to have the stores records updated accordingly.

*Recommendation:* The Audit Office recommends that the Regional Administration comply fully with the requirements of the Stores Regulations at all times. (2015/385)

656. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills/receipts and other documents in support of the payments made. However, the Region failed to adhere to this requirement, since an examination of the records revealed that cheque orders were cleared on average of 365 days after the stipulated time. In addition, at the time of the audit in July 2016, sixty-two cheque orders amounting to \$26.246M remained outstanding with respect to the year 2015. Similarly, one hundred and seventy-six cheque orders totalling \$66.124M for 2013 and prior years were still not cleared. As a result, it could not be ascertained whether the Region received full value for all sums expended.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has made significant effort to have all the related vouchers and invoices submitted to the Sub-Treasury to clear the outstanding cheque orders. However, due to the Sub-Treasury being staffed with only one person this process is very slow.

*Recommendation:* The Audit Office once again recommends that the Regional Administration submit the necessary information to the Audit Office when the cheque orders are cleared. (2015/386)

657. Section 43 of the Fiscal Management and Accountability Act (2003) states that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. However, an inspection of the Sub-Treasury's safe revealed that there were one hundred and forty-one cheques valued at \$4.444M on hand. These cheques should have been refunded to the Consolidated Fund and the necessary adjustments made to the Appropriation Accounts. As a result, the Appropriation Accounts would be overstated by the said amount. In addition, the Sub-Treasury Department has a built in safe (№ 1110) however, the safe is non-functional due to a part being damaged. As a result, cheques are being stored in a two door metal filing cabinet which has no locks.

*Region's Response:* The Head of Budget Agency indicated that the cheques were investigated and a decision was taken to update and pay over same to the payees for supplies received while the others will be updated and paid into the Consolidated Fund.

*Recommendation:* The Audit Office once again recommends that the Regional Administration submit the relevant information when these cheques are updated and paid over and so that this could be verified by the Audit Office. (2015/387)

658. Fifty-five payment vouchers totalling \$36.477M relating to 2015 remained outstanding at the time of reporting in September 2016. In addition, of the above stated amount, fifty-two payment vouchers totalling \$24.406M represented vouchers relating to maintenance works. As a result, the scope of the audit was limited and a determination could not be made as to the propriety of the payments or whether value was received for the money spent. Similarly, two payment vouchers for the year 2013 valued at \$1.105M in respect of retention payments for the construction of Monkey Mountain Primary School and Teachers' Quarters, Mahdia were still not presented for audit examination.

659. In a related matter, at the time of reporting in August 2016, three payment vouchers relating to Expenses Specific to the Agency totalling \$2.831M had no supporting documents attached. As a result, it was difficult to ascertain whether the monies expended were in keeping with the purpose stated. Similar observations were noted in previous year's audits.

*Region's Response:* The Head of Budget Agency indicated that efforts will be made to have the Sub-Treasury locate these vouchers and present them for audit examination.

*Recommendation:* The Audit Office once again recommends that the Regional Administration ensure that all payment vouchers have the necessary supporting documents attached and the missing vouchers are located and presented for audit examination. (2015/388)

### Capital Expenditure

660. The Regional Administration was still to recover overpayments totalling \$12.781M made on the following contracts during the years 2011 and 2013:

Description	Amount Overpaid \$'000	Amount Cleared \$'000	Balance \$'000
Construction of drain at Mahdia	3,500	0	3,500
Construction of Chiung Mouth Bridge	3,834	2,659	1,175
Construction of Industrial Arts Department at Paramakatoi	1,664	0	1,664
Enclosure of Bottom Flat at Mahdia Secondary School	1,476	1,100	376
Construction of Teacher's Quarters at Mahdia	1,426	1,300	126
Repairs to Paramakatoi Secondary School	2,448	0	2,448
Repairs to Kato Cottage Hospital	746	306	440
Construction of Chairman's Quarters at Mahdia	146	0	146
Rehabilitation of Kato Guest House	485	0	485
Extension of Kurukubaru Primary School	301	0	301
Enclosure of Paramakatoi Teacher's Quarters	987	0	987
Extension of Kurukubaru Health Post	505	0	505
Upgrading of the electrical system at Mahdia District Hospital	247	0	247
Rehabilitation to Mahdia Bridge	139	0	139
Construction of Campbell Town Nursery School	242	0	242
<b>Total</b>	<b>18,146</b>	<b>5,365</b>	<b>12,781</b>

*Region's Response:* The Head of Budget Agency explained that the overpayments were investigated and the contractors were written to. However, to date no repayment was made. The Regional Administration will now engage the Ministry of Communities on the way forward.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid recurrences. (2015/389)

661. The Regional Administration was yet to recover mobilisation advances totalling \$2.213M paid to contractors but whose contracts were terminated for failure to complete the works within the contractual period as shown below:

Contract Number	Name of Project	Contract Sum \$'000	Amount \$'000
18/12	Extension of Chenapau Primary School	7,033	1,407
33/12	Upgrade of Mahdia Secondary School Dormitory	4,851	485
41/12	Construction of Culverts at 7 Miles	3,207	321
Total		15,091	2,213

*Region's Response:* The Head of Budget Agency explained that the overpayments were investigated and the contractors were written to. However, to date no repayment was made. The Regional Administration will now engage the Ministry of Communities on the way forward.

*Recommendation:* The Audit Office once again recommends that the Regional Administration make every effort to recover the overpayments and put proper systems in place to avoid recurrences. (2015/390)

662. The Regional Administration still could not provide evidence to show that the items purchased in 2011, 2012 and 2014 totalling \$38.787M were received and brought to account in the relevant stock records. Similarly, for 2015, at the time of audit examination in July 2016 the following items totalling \$2.909M were not received by the Stores.

Description	Quantity	Amount \$'000
<i>Furniture &amp; Equipment – Administration</i>		
Scanner	1	5
Computer	1	275
Desk	2	107
<i>Furniture &amp; Equipment – Public Infrastructure</i>		
Computer & Printer	1	145
Desk & Chairs	2	186
<i>Furniture &amp; Equipment- Education</i>		
Nursery Sets	50	800
Television Sets	5	298
DVD Players	4	98
<i>Furniture &amp; Equipment – Health</i>		
Chairs	20	560
Examination lamps	5	235
Oxygen Tanks	2	200
Total		2,909



*Region's Response:* The Head of Budget Agency indicated that these items were indeed delivered but were sent straight to the various departments, as such, they were not recorded in the relevant stores records. Every effort will be made to ensure that the stores records are being updated accordingly.

*Recommendation:* The Audit Office once again recommends that the Regional Administration ensure that the Stores Regulations are fully complied with at all times. (2015/391)

663. The contract for the acquisition of one Nissan ambulance was awarded by National Procurement and Tender Administration Board in the sum of \$10.300M. The contract was entered into on 28 August 2013 between the Ministry of Local Government and Regional Development and a local supplier. On 12 September 2013, a cheque for the full contract sum was prepared and held at the Sub-Treasury. The ambulance was received by the Region and registered on 27 March 2014. The cheque was paid to the supplier on 10 April 2014. The ambulance was returned to the supplier due to defects and subsequently returned to the Region. However, at the time of follow-up audit in July 2016, the ambulance was still not in working condition. In addition, the contract agreement stated that a performance bond equivalent to ten percent of the contract sum be lodged. However, no performance bond was lodged by the supplier. No further information was received by the Audit Office in relation to this purchase.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is currently engaging the Ministry of Public Health on this matter.

*Recommendation:* The Audit Office once again recommends that the Regional Administration follow-up with the Ministry of Public Health and update the Audit Office on the outcome. (2015/392)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Office and Field Supplies

664. During the year 2015, amounts totalling \$335.544M were expended on Office and Field Supplies. An audit examination of the expenditure revealed the following discrepancies:

- (a) three payment vouchers totalling \$1.365M were not recorded in the Payment Voucher Numbering Book;
- (b) the Regional Democratic Council paid honorarium totalling \$1.820M to seven officers without the relevant approval. In addition, inclusive of the above stated figure are six amounts totalling \$720,000 representing honorarium, which were incorrectly charged to line item Local Travel, and Subsistence (6261) resulting in a misclassification of expenditure in the Appropriation Accounts;

- (c) amounts totalling \$147.335M were expended under line item 6292 – Dietary during the period under review. Included in this sum are amounts totalling \$136.193M for the purchase of dietary items supplied by three companies to the dormitories at Mahdia Secondary, Paramakatoi Secondary and Sand Creek. However, there was no evidence that the relevant tendering procedures were followed. In addition, no contract agreements were presented for audit examination to validate these payments. Further, Regional Tender Board approvals were not seen for three payments totalling \$2.656M; and
- (d) no historical record was maintained for the twenty-seven vehicles owned and controlled by the Region.

*Region's Response:* The Head of Budget Agency explained that (a) the vouchers for same is in the Regional Sub Treasury, (b) there is the necessary Tender Board awards for the listed projects; (c) same will be forwarded for audit; and (d) this has since being corrected.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that (a) all transactions are properly recorded and monitored; (b) all the necessary approvals are obtained before payments made; and (c) the Procurement Act and Stores Regulations are complied with at all times. (2015/393)

665. An examination of the Appropriation Account for Programme 4 (Heath Services) revealed that an amount of \$22.469M was budgeted for the procurement of drugs & medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 7 December 2015 to the Ministry of Public Health valuing \$12.049M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and failed to send a financial return to notify the Region of the unexpended sum. As a result, the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$12.049M. Nevertheless, it was noted that the sum of \$12.049M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that enquiries were made with the Permanent Secretary and his Deputy regarding financial returns, however no responses were received. Subsequently, a check was made at IFMAS to verify whether the funds were utilised and the information received was that the funds were not spent but was returned to the Ministry of Finance, Sundries Line Item.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/394)

666. Physical verification exercises conducted on drugs and medical supplies at Mahdia Hospital revealed that there were large quantities of expired drugs with an approximate value of \$86.031M at this location. However, there was no evidence that action was taken to dispose of it by the competent authority.

*Region's Response:* The Head of Budget Agency indicated that efforts will be made to have these drugs properly disposed.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) undertake a survey to determine the realistic needs of pharmaceuticals and other medical supplies at this institution in order to reduce losses through the expiration of drugs; and (b) take action to have these drugs and medical supplies disposed of by the competent authority. (2015/395)

### Maintenance Works

667. Amounts totalling \$163.983M was expended on repairs to officer's quarters/buildings, repairs to bridges, repairs to fence, weeding & cleaning, repairs and emptying of septic tanks etc. An examination of the expenditure revealed that Regional Tender Administration Board approvals were not seen for three contracts, totalling \$13.570M. As a result, it was difficult to ascertain if these works were authorised and approved by the Board. In addition, an examination of the tender board minutes revealed that for eight projects that were awarded by the Regional Tender Board during 2015, no reasons were stated as to why these projects were not awarded to the lowest responsive bidders.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will locate these minutes and submit same for audit review. In addition, the reason the lowest bidder was not awarded the contract was inadvertently not included in the Regional Tender Board Minutes and every effort will be made to correct this situation in future minutes.

*Recommendation:* The Audit Office recommends that the Regional Administration ensures that its Tender Board Minutes contain more details that would enable a proper evaluation of the basis of award of each contract. (2015/396)

668. An examination of a sample of contracts revealed the following instances where contracts were apparently split and awarded separately when the works were to be effected on the same building:

Contract No	Line Item	Contract	Contract Sum \$'000	Date Contract was signed
218/15	6242	Repairs to RDC Boardroom Floor	599	29 July 2015
221/15	6242	Repairs to RDC Boardroom Roof	585	29 July 2015

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will take measures to ensure this doesn't recur.

*Recommendation:* The Audit Office recommends that the Regional Administration comply fully with the requirements of the Procurement Act. (2015/397)

669. The contract for the rehabilitation to Sand Hills Primary School was awarded in the sum of \$2.787M by the Regional Tender Board against the Engineer's Estimate of \$2.854M. The works comprise general repairs to the existing school building, inclusive of servicing doors and windows, painting to walls, servicing of roof and guttering. The contractor received an advance payment of \$1.115M representing 40% of the contract sum, however, the Standard Bidding Documents for Government of Guyana contracts only allows for 30% Mobilisation Advance for this Region. In addition, the start date, completion date and defects liability period could not be determined from the documents examined. Further, it was observed that the provisional sum was paid in full to the contractor however, no details or breakdown were provided in the final payment to show what this sum was used for. As at 31 December 2015, the full contract sum was paid to the contractor and based on physical verification of the completed works, measurements and calculations, the following overpayments were discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
2.00	Floor						
2.10	Allow for chipping of concrete floor to receive 4" concrete mix.	236	160	sy	76	237	18
2.30	Supply and apply three (3) coats of rubberise paint to floor.	164	0	sy	164	2,500	410
	Bill № 3- Provisional Sum						
3	Provisional Sum to be utilised at the discretion and direction of the R.E.O	Sum	-	Sum	Sum	Sum	46
Total							474

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since contacted the contractor and the works are currently being completed while the provisional sum has since been recovered.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) ensure that all pertinent information with respect to the contract are inserted in the contract document; and (b) put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/398)

670. The contract for the general rehabilitation to Micobie Teachers' Quarters was awarded by the Regional Tender Board in the sum of \$2.255M as against the Engineer's Estimate of \$2.315M. The contract was not awarded to the lowest bidder which was \$1.954M. It was stated that the contract was awarded to this contractor based on his capacity to complete the project in a timely manner. The date of signing the contract could not be determined from the documents examined. As at 31 December 2015, amounts totalling \$2.106M were paid to the contractor and based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayments were discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
4	Carpentry and Joinery						
	HW factory made HW panel door include for butts mortise lock and three coats of Golden brown oil paint	4	2	Nr.	2	40,000	80
	Factory made pine panel door inclusive of butts and night latch lock	6	3	Nr.	3	20,000	60
9	Floor						
	Provide and fix the following materials						
	Rubberise vinlay to floor as directed by engineer/ engineer's rep	84	67	S.Yds	17	2,000	34
Total							174

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since recovered the amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) ensure that all pertinent information with respect to the contract are inserted in the contract document; and (b) put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/399)

671. The contract for the rehabilitation of Paramakatoi Secondary School fence, was awarded in the sum of \$2.633M. The works comprise the construction of a timber and chainlink perimeter fence for the Paramakatoi Secondary School compound. The contract was signed on 31 August 2015, however, the start date, completion date and defects liability were not stated in the contract. As a result, the actual date of completion of the works and the defects liability period could not be determined. In addition, the contractor received an advance payment of \$1.053M representing 40% of the contract sum, however, the Standard Bidding Documents for Government of Guyana contracts only allows for 30% Mobilisation Advance for this Region. As at 31 December 2015, the full contract sum was paid to the contractor. Based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayments were discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
2	Repairs to Fence						
a	Supply, point, pitch and drive 4"x4"x9' Wallaba posts @ 8' crs (44nr) rate to include for excavation if required.	792	486	ln.ft	306	400	122
b	Supply, point, pitch and drive 6"x6"x10' Wallaba posts (2nr)	40	20	ln.ft	20	500	10
c	Supply and install 2"x4" Bulletwood runners	1,444	924	ln.ft	520	450	234
d	Supply and install 1"x4" Bulletwood facings	1,444	940	ln.ft	504	300	151
e	Ditto but 1"x12" GH Mud Board	712	462	ln.ft	250	500	125
f	Apply 3nr coats oil paint to timber members (to all timber members inclusive of bottom runners and above)	380	253	sy	127	350	45
g	Apply 2nr coats tar (oil base) (to all timber members below bottom runners)	212	127	sy	85	150	13
h	Supply and install 3/8" diameter x 7" length MS bolts, inclusive of all washers and nuts to secure facings, runners and mesh to bulletwood posts.	176	112	Nr	64	300	19
i	Supply and install 3/8" diameter x 10" length MS bolts, inclusive of all washers and nuts to secure facings, runners and mesh to bulletwood gate posts.	8	4	Nr	4	500	2
j	Supply and install 1/4" diameter x3" length MS coach screws to secure facings to runners @4' crs	360	0	Nr	360	50	18
k	Supply and install 5' height chain link mesh (12.5 gauge)	396	260	Sq.yd	136	600	82
l	Supply and install barb wire to top section of fence @6" crs (2 rows)	1,424	0	ln.ft	1,424	75	107
Total							928

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since had since contacted the contractor and remedial works are currently being carried out.

*Recommendation:* The Audit Office recommends that the Regional Administration (i) ensure that all pertinent information with respect to the contract are inserted in the contract document; and (ii) put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/400)

672. The contract for general rehabilitation to Micobie Sanitary Block was awarded by the Regional Tender Board to the second lowest of three bidders in the sum of \$1.424M as against the Engineer’s Estimate of \$1.640M. No justification was seen for not awarding the contract to the lowest bidder. The date of signing the contract could not be determined from the documents examined. As at 31 December 2015, amounts totalling \$1.397M were paid to the contractor. Physical verification of the completed works was conducted in July 2016 and the measurements and calculations revealed the following overpayments:

Item	Description	Qty Paid	Qty Found	Unit	Diff	Rate \$	Amount Overpaid \$'000
c	Plumbing						
1.10	Install ½” taps to trough	3	0	Nr.	3	1,000	3
e	Painting and decorating						
4.00	Apply three coats of White oil base paint to new ceiling and one coat as prime include for puttying	158	38	sy	120	1,000	120
h	Sealing trough						
	Provide and fix the following						
1.00	6”x6”x1/4” thick to damage area	0.3	0	sy	0.3	30,000	9
Total							132

*Region’s Response:* The Head of Budget Agency indicated that the Regional Administration has since recovered the amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) ensure that all pertinent information with respect to the contract are inserted in the contract document; and (b) put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/401)

673. The contract for repairs to the Nurses’ Quarters 2A, was awarded by the Regional Executive Officer in the sum of \$596,300. This contract was signed on 29 July 2015. As at 31 December 2015, the full contract sum was paid to the contractor. Physical verification of the completed works was conducted in July 2016, and the measurements and calculations revealed an amount of \$180,000 as being overpaid to the contractor as shown in the table below. In addition, it was discovered that another contract titled “Repairs to Nurse’s Quarters 2A, Hospital Compound” was signed on the same date as the contract for “Repairs to Nurses Quarters 2A” (29 July 2015) between the Regional Democratic Council and the same contractor. It was further noted that the items listed in the Bills of Quantities of both the aforementioned contracts are identical; both contracts have the same contract sum but different contract numbers. In addition, both contracts were fully paid via cheque № 05-665673 dated 15 September 2015. As a result, the following overpayment was discovered due to duplication of the contract.

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
B	Windows						
2	Construct mosquito mesh around window with ix hw secure with bolts (rate include for 3 coats oil paint)	10	0	Nr.	10	18,000	180
Total							180

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since contacted the contractor and the works are currently being completed.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors; (b) contracts are properly monitored and prepared to avoid duplication; and (c) the amounts overpaid are recovered. (2015/402)

674. The contract for the repairs to the chainlink fence at REO's quarters was awarded by the Regional Executive Officer in the sum of \$380,000. As at 31 December 2015, the amount of \$380,000 was paid in full to the contractor. Physical verification of the completed works was conducted in July 2016 and the measurements and calculations revealed the following overpayments to the contractor:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
2	Repairs to fence						
b	Supply, point, pitch and drive 6"x6"x10' wallaba posts (6 nr.)	60	0	ln.ft	60	1,200	72
c	Supply and install 2"x4" Mix HW runners	100	82	ln.ft	18	268	5
d	Supply and install 2"x4" Mix HW runners	100	82	ln.ft	18	134	2
e	Ditto but 1"x12" GH Mud Board	100	82	ln.ft	18	400	7
f	Apply 3 nr coats oil paint to timber members (to all timber members inclusive of bottom runners and above	350	75	sy	275	160	44
g	Supply and install 5' height chain link mesh. (12.5 gauge)	55	46	sy	9	405	4
Total							134

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since recovered the amount overpaid.



*Recommendation:* The Audit Office recommends that the Regional Administration ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/403)

675. The contract for the repairs to the bridge revetment at Mahdia, was awarded by the Regional Executive Officer in the sum of \$394,500. The contract was signed on 9 June 2015. As at 31 December 2015, the full contract sum was paid to the contractor. Physical verification of the works completed was conducted in July 2016 and the measurements and calculations revealed the following overpayments to the contractor:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
Repairs to Timber Revetment - Wailers							
D	Supply, shape, tar and place mix HW 6"x8"x10" wailer	160	0	bm	160	550	88
E	Secure wailers to pile using 5/8" dia. x 20" long bolts and nuts inclusive of 3"x3"x1/4" washers.	8	0	Nr.	8	6,000	48
Total							136

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since contacted the contractor and remedial works are currently being carried out.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/404)

676. The contract for the repairs to the bridge revetment at Mahdia, was awarded by the Regional Executive Officer in the sum of \$579,000. The contract was signed on the 9 June 2015. As at 31 December 2015, the full contract sum was paid to the contractor. Physical verification of the completed works was conducted in July 2016, of which the measurements and calculations revealed the following overpayments to the contractor:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
Repairs to Timber Revetment							
<u>King Piles</u>							
B	Supply, tar and drive mix HW piles 8"x8"x12' long (4nr.). All timber materials shall be inspected prior to tarring by engineer (2nr. Coats)	256	0	bm	256	750	192
C	Cap piles with 18 gauge galvalum sheet	4	0	nr	4	2,500	10
Wailers							
D	Supply, shape, tar and place mix HW 6"x8"x10" wailer	160	0	bm	160	550	88
E	Secure wailers to pile using 5/8" dia. x 20" long bolts and nuts inclusive of 3"x3"x1/4" washers.	8	0	Nr.	8	6,000	48
Total							338

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since informed the contractor of the overpayment and works are ongoing to complete the contract.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) ensure that all pertinent information with respect to the contract are inserted in the contract document; and (b) put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/405)

*Subsidies and Contribution to Local Organisations*

677. Amounts totalling \$14.614M was expended on subsidies for 2015. However, the main supporting documents pertaining to training such as the list of participants, description and or nature of training was not seen for payments totalling \$4.496M as detailed below:

Date	Payment Voucher №	Particulars	Amount \$'000
09/07/2015	78A0816	Head Teacher's meeting in Sub-Region № 2	1,783
09/01/2015	78A0931	Workshop in Region 8	700
09/24/2015	78A1187	Training & Evaluation Workshop	430
10/02/2015	78A1221	Estimate for Training	575
12/07/2015	78A1809	Annual Staff Development & Evaluation	550
12/29/2015	78A1843	Charter of aircraft to transport teachers out of Mahdia	202
12/29/2015	78A1842	Charter of Aircraft -Mahdia- Chenapau-Mahdia	256
Total			4,496

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will submit the necessary details for audit review.

*Recommendation:* The Audit Office recommends that the Regional Administration institute measures to ensure that all supporting documents are attached to payment vouchers and kept in a manner to facilitate audit examination and preservation for the required period. (2015/406)

### Capital Expenditure

678. The sum of \$154.719M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$107.772M were expended, resulting in the Region not achieving its anticipated level of capital expenditure activities in 2015 by \$46.947M or 30.34%. Shown in the table below is the shortfall in capital expenditure for 2015:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Public Works	41,400	23,287	18,113
Buildings	49,100	31,449	17,651
Purchases	64,219	53,036	11,183
Total	154,719	107,772	46,947

679. The shortfall in the expenditure of \$46.947M was mainly as a result of the Regional Administration being unable to (a) commence work on the construction of bridge at Itabac; (b) construct kitchen at Mahdia dorms, trestle at Teachers' Quarters and Nursery/Primary School at Micobie; and (c) procure a tractor and trailer for the Health Services Programme. Nevertheless, these projects and items were re-budgeted for in 2016.

*Region's Response:* The Head of Budget Agency indicated that some of these projects were held up due to the slow processing at the NPTAB while in some cases no bids were received.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected in a timely manner, to avoid delays and ensure amounts are expended as budgeted. (2015/407)

### Public Works

680. During the year under review amounts totalling \$41.400M were budgeted for the construction of bridges at Itabac, construction of roads from Red Creek to Paramakatoi, Maikwak to Paramakatoi and Chenapau to Paramakatoi. As at 31 December 2015, amounts totalling \$23.287M were expended. Audit examination of the expenditure revealed that no extension of programme was granted for the construction of roads at Amik to Paramakatoi or Tappa to Paramakatoi totalling \$6.600M and \$6.512M respectively.

*Region's Response:* The Head of Budget Agency indicated that efforts will be made to secure the necessary inclusion in programmes in the future.

*Recommendation:* The Audit Office recommends that the Regional Administration put measures in place to ensure that necessary approvals are obtained before expenditures are made outside of the capital profile. (2015/408)

### Buildings

681. An amount of \$49.100M was allocated in 2015 for the construction of (i) Nursery/Primary school at Micobie; (ii) trestle and kitchen at Mahdia; (iii) extension of Regional Democratic Council building; and (iv) rehabilitation of quarters at Paramakatoi, Kopinang and drugs bond at Mahdia. According to the Appropriation Account the sum of \$31.449M were expended. An examination of a sample of six contracts which were awarded by the Regional Tender Board revealed that five of these contracts totalling \$27.661M were not awarded to the lowest bidders and no evaluation reports were submitted for audit examination to support and justify the basis of the awards for these contracts.

*Region's Response:* The Head of Budget Agency stated that the reason the lowest bidder was not awarded the contract was inadvertently not included in the Regional Tender Board Minutes and every effort will be made to correct this situation in future minutes.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that its Tender Board Minutes contain more details that would enable a proper evaluation of the basis of award of each contract. (2015/409)

### Capital Purchases

682. Amount totalling \$64.219M was budgeted for the purchase of beds, tables, refrigerators, stoves, microwaves, washing machines, suite, solar systems, wardrobes, school furniture and equipment such as play sets, generators, CD players, televisions, DVD players, farming tools, beds, fans, solar freezers, spray cans, filing cabinets, wood working equipment, solar water systems, water dispensers, desks, benches, nursery sets, portable dental chairs, incubators, examination tables, brush cutters, radio sets, chairs, examination lamps, scales, oxygen tanks, lab equipment, morgue freezer, computers, All-Terrain Vehicles (ATVs), vulcanising machine, fogging machines, projectors, shredder and scanner. As at 31 December 2015, amounts totalling \$53.036M were expended. Audit examination of the expenditure revealed the following:

- (a) no vehicle registrations were presented for audit examination in relation to the four ATVs purchased for the year under review;
- (b) none of the assets purchased during 2015 were marked to readily identify them as Government Property; and
- (c) forty payment vouchers totalling \$47.151M in relation to capital purchases had no supporting documents attached.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will take the necessary corrective action.

*Recommendation:* The Audit Office recommends that the Regional Administration (a) locate and present the vehicle registrations for the four All Terrain Vehicles; (b) ensure all assets are properly marked as required; and (c) ensure that all supporting documents are attached to payment vouchers. (2015/410)

AGENCY 79  
REGION 9 - UPPER TAKUTU/UPPER ESSEQUIBO

Prior year matters, which have not been resolved

Current Expenditure

683. Untimely action in 2012 by the Regional Administration resulted in overpayment of net salaries to one employee totalling \$159,417, while amounts totalling \$1,951 and \$25,543 were overpaid to the Guyana Revenue Authority (GRA) and National Insurance Scheme (NIS), respectively. Similarly for 2015, amounts totalling \$831,268 were overpaid to seven officers whilst the related deductions amounting to \$213,072 were also overpaid to deduction agencies. These overpayments occurred due to the late notification of pay-changes to the Regional Accounting Unit by the Sub-Districts, which are remotely located.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will make every effort to recover the amounts overpaid. However, these overpayments are as a result of the remoteness of some of the locations.

*Recommendation:* The Audit Office once again recommends that the Regional Administration vigorously follow-up this matter so that the amounts overpaid could be recovered. (2015/411)

684. The Regional Administration had still not recovered amounts totalling \$530,000 overpaid on the following contracts for the years 2010, 2012 and 2014:

Year	Sub-Head	Description	Amount Overpaid \$'000
2010	6255	Rehabilitation of Macaw Bridge	138
2012	6242	Rehabilitation of Shulinab Nursery School	81
"	"	Rehabilitation of Moco-Moco Teacher's Quarter	126
2014	"	Repairs to Sub-Treasury building № R235	185
Total			530

*Region's Response:* The Head of Budget Agency explained that the Regional Administration had written to the contractors, however, there has been no recovery of the amounts overpaid to date. The Regional Administration will continue to follow-up the recovery of the sums overpaid.

*Recommendation:* The Audit Office once again recommends that the Regional Administration vigorously pursue the recovery of the overpaid amounts. (2015/412)

685. With regards to adherence to the Stores Regulations it was also noted that there continued to be breaches in the Stores Regulations as was in the previous year's audit as detailed below:

- the Stores Ledgers, to form a reliable basis for reconciliation with the Bin Cards kept at the Stores, was not maintained in the Accounting Unit for the period under review for the drugs bond at the Lethem Regional Hospital, while at the Regional Administration Stores this Ledger was maintained by the Stores instead of the Regional Administration;
- at the Education Stores, it was also observed that this Stores was not properly kept and arranged in a manner that make for easy access and check. As a result, a physical count could not be carried out. Further, bin cards are now being introduced;
- a physical count of a sample of thirty-one items at the drugs bond revealed ten instances of shortages while there were six instances of excess when the physical count was compared with that of the bin card balances;
- items received were not recorded in a Good Received Book nor were Goods Received Notes maintained for the Dietary Stores. In addition, bin cards were not updated at the time of auditing in July 2016;
- the Regional Administration Stores maintain a Master Inventory, however, this was not updated for the period under review. In addition, Sectional Inventories were not maintained;

- a number of obsolete items/assets were on hand and are being kept in various areas of the Regional Democratic Council Stores compound in a deplorable state;
- a list of obsolete item/assets was not presented by the Regional Administration; and
- of the forty-seven vehicles/equipment owned and controlled by the Regional Administration, log books were only submitted for twenty-two. In addition, an examination of the log books presented for 2015 revealed that there were instances where the log books were not properly maintained with respect to the signature of authorising officer and recording of departure and arrival times. Further, thirteen log books had missing periods.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since (a) had improvement in its employment capacity and, as such, efforts are being made to update and maintain all the required records and ensure obsolete items are disposed of appropriately; and (b) implemented systems to ensure logs books are properly maintained.

*Recommendation:* The Audit Office recommends that the Regional Administration fully comply with the requirements of the Stores Regulations at all times. (2015/413)

*Other Matters*

686. Cheque orders are required to be cleared within sixteen days of their issue through the submission of bills/receipts and other documents in support of the payments made. However, at the time of auditing in July 2016, two cheque orders valued at \$2.625M remained outstanding for the period under review. Similarly, it was noted that nineteen cheque orders for the years 2010 to 2012 still remained outstanding. As a result, it could not be ascertained whether the Region received full value for all sums expended. Shown below is a summary of the outstanding cheque orders:

Year	No of Cheque Orders Outstanding	Amount \$'000
2010	12	8,466
2011	5	1,100
2012	2	255
2015	2	2,625
Total	21	12,446

*Region's Response:* The Head of Budget Agency indicated that efforts are continuing to have these cheque orders located and cleared.

*Recommendation:* The Audit Office once again recommends that the Regional Administration renew its efforts to have these long outstanding cheque orders cleared and to ensure that the clearing of cheque orders are done within the stipulated timeframe. (2015/414)

687. It was reported that amounts totalling \$5.002M were stolen from the Regional Administration during an alleged robbery on 18 January 2013. The following gives a breakdown of the amounts stolen, as reported:

Item	Description	Total \$'000
1	Unpaid Salaries for 2012 and 2013	2,895
2	Unpaid vouchers for 2012 and 2013	914
3	GWI Stipend for 2011 and 2012	214
4	Imprest - 2012	99
5	Revenue - 2012	55
6	Revenue - 2013	602
7	Supply of cooking gas - 2012	180
8	Safe keeping - Sports - 2009	15
9	President Youth Initiative	15
10	Housing Application fees for 2013	13
Total		5,002

688. Audit examination of the Regional Administration's Imprest revealed that an advance amounting to \$90,000 was outstanding at the time of the audit in June 2014. However, this advance was issued in 2012, and still not cleared, even though the Region had retired its Imprest at the end of 2012, and a new Imprest was granted in 2013.

*Region's Response:* The Head of Budget Agency explained that the Regional Administration had since written to the Chief Magistrate and the Commander of Police in the Division and are awaiting their responses before submitting same to the Finance Secretary to have the amount replaced based on approval from Cabinet.

*Recommendation:* The Audit Office once again recommends that the Regional Administration pursue this matter with the relevant authorities to bring closure to this issue. (2015/415)



### Capital Expenditure

689. Even though evidence were seen whereby contractors were written to, the Regional Administration had still not recovered overpayments totalling \$4.568M that were made on the following contracts for the years 2010 and 2011:

Year	Description	Balance \$'000
2010	Construct Amerindian Hostel at Annai	84
"	DBST Road in Lethem	2,210
"	Construct Teacher's Quarters at Maruranau Village	452
2011	Upgrading of St. Ignatius Bridge, Phases 1 & 2	132
"	Upgrading of Amerindian Hostel, Lethem	511
"	Construction of the bridge at Chiliwau	596
"	Upgrading of access road from Awarenwanau to Aishalton	100
"	Extension of St. Ignatius Primary School	483
Total		4,568

*Region's Response:* The Head of Budget Agency explained that the Regional Administration had written to the contractors, however, there has been no recovery of the amounts overpaid to date. The Regional Administration will continue to follow-up all overpayments to recover the sums overpaid.

*Recommendation:* The Audit Office once again recommends that the Regional Administration vigorously pursue the recovery of the overpaid amounts. (2015/416)

### Current year matters, with recommendations for improvement in the existing system

#### Current Expenditure

690. It should be emphasised that registration with the National Insurance Scheme has implications for social security and other benefits. An examination of the payroll records of the Regional Administration during the year under review revealed that one hundred and thirty-two employees were without NIS numbers. In addition, fifty-nine employees had temporary NIS numbers.

*Region's Response:* The Head of Budget Agency explained that the remoteness of the Communities has contributed to this situation and efforts will be made to address this issue.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure registration of its employees with the Scheme. (2015/417)

Office and Field Supplies

691. An examination of the Appropriation Account for Programme 5 (Health Services) revealed that an amount of \$22.001M was budgeted for the procurement of drugs & medical supplies. The Regional Democratic Council issued two Inter-Departmental Warrants on 15 November 2015 and 12 December 2015 to the Ministry of Public Health totalling \$21.500M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and failed to send financial return to notify the Region of the unexpended sum. As a result, the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$21.500M. Nevertheless, it was noted that the sum of \$21.500M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that every effort will be made to ensure financial returns from the Ministry of Public Health are received in a timely manner by the Regional Administration.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/418)

692. Physical verification exercises conducted on drugs and medical supplies at the Lethem Regional Hospital and Kumu Health Centre revealed twenty-seven instances where expired drugs with an approximate value of \$465,000 were found at these locations.

*Region's Response:* The Head of Budget Agency indicated that efforts will be made to have these drugs properly disposed of.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake a survey to determine the realistic needs of pharmaceuticals and other medical supplies at these institutions in order to reduce losses through the expiration of drugs. (2015/419)

693. According to the Appropriation Accounts, amounts totalling \$38.909M were expended on the purchase of fuel and lubricants for the period under review. However, contrary to the established cash based method of procurement, the Regional Administration obtained a credit facility to facilitate purchases of fuel from a local supplier. Further, a dipstick is not in place to measure fuel which are being stored in drums of 45 gallons. As a result, meaningful comparison could not be done between the physical stock and the bin cards.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will make every effort to review the system in operation and take the necessary corrective action to reconcile the records. In addition, efforts will be made to obtain an electric pump to reduce the quantity loss through spillage,

*Recommendation:* The Audit Office recommends that the Regional Administration comply with the FMA Act and the Stores Regulations at all times. (2015/420)

### Capital Expenditure

694. The sum of \$180.959M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account, the sum of \$177.442M were expended, resulting in a shortfall in capital expenditure of \$3.517M or 1.94% as shown below:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Miscellaneous D & I	11,295	10,136	1,159
Purchases	43,500	42,349	1,151
Buildings	49,200	48,127	1,073
Public Works	76,964	76,830	134
Total	180,959	177,442	3,517

695. The shortfall was mainly as a result of the project for the construction of bridge at Sand Creek not being completed in 2015 and retention payments on contracts rolling over to 2016. Nevertheless, these were re-budgeted for in 2016.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration would have tried to execute in the required time frame, however, the short budgetary period would have contributed to the shortfall in capital expenditure.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects/purchase during the earlier part of the year so that any problem or issues encountered can be detected within a timely manner, so as to avoid delays and ensure amounts are expended as budgeted. (2015/421)

### Capital Purchases

696. With respect to the purchases of capital items for the period under review, it was noted that a cheque for \$1.500M was drawn to procure sixty hexagonal desks and sixty chairs. At the time of reporting in September 2016 these items were not received. However, the cheque was encashed by the supplier who kept \$50,000 while the amount of \$1.450M was handed over to the Regional Accounting Unit. At the time of the audit in July 2016, the cash was on hand and kept at the Regional Accounting Unit safe. In addition, one cheque valued at \$1.125M for the supply the supply of school furniture was also on hand.

*Region's Response:* The Head of Budget Agency indicated that the supplier was written to in order to supply the required items. These items were required for an educational project.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with Section 43 of the FMA Act which requires that at the end of each fiscal year, any unexpended balance of public moneys issued out of the Consolidated Fund shall be returned and surrendered to the Consolidated Fund. (2015/422)

*Buildings*

697. The contract for the rehabilitation to Agriculture Complex - St. Ignatius R № 96 was awarded by the Regional Tender Board in the sum of \$4.960M to the lowest of six bidders against an Engineer's Estimate of \$5.731M. The works comprise general repairs to roof, installation of new doors, plumbing and rainwater installations, ceiling works and painting to the internal and external walls of the building along with the construction of kitchen cupboards, reinforced concrete water trestle, soakway and installation of metal grill work to windows and doors. The works were completed and the full amount was paid to the contractor. However, based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayment was discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
5.0	Supply and change the following material for roof and install ceiling, all material must be properly dressed.						
	Ridge cap	60	44	Ft.	16	500	8
	Fascia board 1"x8"	100	88	bm	12	500	6
	6" gutter, complete with brackets, down spout, end cap, etc.	150	90	Ft.	60	500	30
	Moldings, ¼" circle at end and design flat in center, 4'x4' squares	1,000	0	Ft.	1,000	60	60
8.2	Supply and tile floor area of building using 16"x16" or 18"x18" tiles, must be properly grouted.	1,400	1,000	Ft <sup>2</sup>	400	200	80
9.0	Supply and paint entire building walls external (new wheat) internal (as recommended by Engineer), ceiling (white), roof (red), 8" skirting on external wall and 4" on internal wall. Apply one coat primer and two coat oil paint on new wall and two coat oil paint on existing walls.	5,000	3,909	Ft <sup>2</sup>	1,091	200	218
Total							402

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since written the contractor who has requested a revisit of this project due to the former Regional Engineer having made changes to the scope of work which may not have been documented.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that (a) the overpayment of \$402,200 is recovered; (b) all changes in the scope of works are properly documented and accounted for by way of variation orders; and (c) all completed works are accurately measured, quantified and paid for accordingly to avoid overpayments to contractors. (2015/423)

698. The contract for the upgrading to Aishalton Secondary Female Dorms was awarded by the Regional Tender Board in the sum of \$7.322M against an Engineer's Estimate of \$7.500M. It was noted that the lowest bid was \$6.861M, however, the reason for not awarding the contract to the lowest bidder was not stated. The works comprise the construction of new reinforced concrete building adjoining the existing female dormitory, complete with minor electrical installations along with minor associated repair works, inclusive of electrical installations, servicing and painting of the existing building and roof. Amounts totalling \$6.263M were paid to the contractor and based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayment was discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
Roofing							
4.5	Supply and install truss beams to roof 2"x6"x28' main beams, supported to roof secured with bolt and nut and metal gusset plates.	2	0	No	2	120,000	240
Flooring							
5.2	Supply and cast floor 3" thick 1:2:3 concrete mixtures to a firm finish inclusive of 2' apron around three sides.	390	246	Ft <sup>3</sup>	144	2,000	288
5.3	Supply tile section of flooring using 16"x16" or 18"x18" non skid tiles, properly grouted.	3,680	0	Ft <sup>3</sup>	3,680	500	1,840
Plastering and Painting							
9.0	Seal eaves and space between wall plate and zinc using chicken mesh and sponge or ¼" ply and sponge.	Sum	0	Sum	Sum	40,000	40
Total							2,408

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since written the contractor who has indicated that it was not his fault. As such, the Ministries of Communities will be written to for advice on the way forward in dealing with this matter.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that the overpayment of \$2.408M is be recovered and that all completed works are accurately measured, quantified and paid for accordingly, to avoid overpayments to contractors. (2015/424)

699. The contract for the upgrading to Aishalton Secondary Male Dorms was awarded by the Regional Tender Board in the sum of \$7.322M against the Engineer's Estimate of \$7.500M. It was noted that the lowest bid was \$6.861M, however, the reason for not awarding the contract to the lowest bidder was not stated. The works comprise the construction of new reinforced concrete building adjoining the existing female dormitory, complete with minor electrical installations along with minor associated repair works, inclusive of electrical installations, servicing and painting of the existing building and roof. Amounts totalling \$6.263M were paid to the contractor and based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayment was discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
Roofing							
4.5	Supply and install truss beams to roof 2"x6"x28' main beams, supported to roof secured with bolt and nut and metal gusset plates.	2	0	N <sub>o</sub>	2	120,000	240
Flooring							
5.2	Supply and cast floor 3" thick 1:2:3 concrete mixtures to a firm finish inclusive of 2' apron around three sides.	390	272	Ft <sup>3</sup>	118	2,000	236
5.3	Supply tile section of flooring using 16"x16" or 18"x18" non skid tiles, properly grouted.	3,680	0	Ft <sup>3</sup>	3,680	500	1,840
Plastering and Painting							
9.0	Seal eaves and space between wall plate and zinc using chicken mesh and sponge or ¼" ply and sponge.	Sum	0	Sum	Sum	40,000	40
Total							2,356

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration has since written the contractor who was the same contractor for the female dorm. The contractor has indicated that it was not his fault. As such, the Ministries of Communities will be written for advice on the way forward in dealing with this matter.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that the overpayment of \$2.356M is recovered and that all completed works are accurately measured, quantified and paid for accordingly, to avoid overpayments to contractors. (2015/425)

700. The contract for the extension to Shulinab Primary School was awarded by the Regional Tender Board in the sum of \$7.763M against the Engineer’s Estimate of \$8M. It was noted that the lowest bid was \$6.664M, however, the reason for not awarding the contract to the lowest bidder was not stated. The works comprised the construction of a new HCB building extension adjoining the existing school building, complete with minor electrical installations, rainwater installations and minor general repairs to the existing school building. The full contract sum was paid to the contractor and based on physical verification by the Audit Office of the completed works, measurements and calculations, the following overpayment was discovered:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
	Roofing						
4.3	Supply and install intermediate laths to roof 1’’x4’’x37’ – 16 rows	197	99	bm	98	450	44
	Plastering and Painting						
9.0	Seal eaves and space between wall plate and zinc using chicken mesh and sponge or ¼’’ ply and sponge.	Sum	0	Sum	Sum	100,000	100
Total							144

*Region’s Response:* The Head of Budget Agency indicated that the Regional Administration has since written the contractor who has agreed to repay the amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that the overpayment of \$144,100 is recovered and that all completed works are accurately measured, quantified and paid for accordingly, to avoid overpayments to contractors. (2015/426)

Other Matters

701. It was noted that the signature of the Works Committee Chairman was absent from the Certificate of Inspection for the respective contracts examined, with only the signatures of the Regional Executive Officer and the Regional Engineer attached.

*Region’s Response:* The Head of Budget Agency indicated that the Works Committee was not functioning at the time.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that all the required signoffs are obtained before payments are processed. (2015/427)

702. An examination of the Tender Board Minutes revealed that five projects were awarded by the Regional Tender Board during 2015, however, no reasons were stated as to why these projects were not awarded to the lowest bidders.

*Region's Response:* The Head of Budget Agency stated that the reason the lowest bidder was not awarded the contract was inadvertently not included in the Regional Tender Board Minutes, although there were discussions and valid reasons.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure that its Tender Board Minutes contain more details that would enable a proper evaluation of the basis of award of each contract. (2015/428)

AGENCY 80  
REGION 10 - UPPER DEMERARA/BERBICE

Prior year matters, which have not been resolved

Current Expenditure

703. During the period under review, the Regional Administration was able to recover overpayments totalling \$311,000 made on three contracts. However, at the time of reporting in September 2016, the sum of \$288,000 and \$80,000 were still to be recovered on two contracts awarded in 2010 and 2012 for repairs and maintenance of Ituni Health Centre.

*Region's Response:* The Head of Budget Agency indicated that they will continue to make every effort to recover the outstanding sums. One of the contractors is currently doing work for the Region and has indicated his willingness in writing to repay in installments.

*Recommendation:* The Audit Office once again recommends that the Regional Administration pursue this matter with the contractors with the view of recovering the overpayments and put systems in place to avoid future occurrences. (2015/429)

704. The Regional Democratic Council did not entirely adhere to the stores accounting procedures, specifically Sections 6 (2) and 19 of the Stores Regulations, with regards to the Stores Ledger and Bin Cards being maintained and kept up to date by the Accounting Department and the Storekeeper respectively. Audit examination revealed that Stores Ledger and Bin Cards were not always updated in a timely manner by the Regional Accounting Unit and the Storekeeper respectively. In addition, the reference number on the Bin Cards does not correspond to the items in the Stores Ledger. As a result, reconciliation between the two records could not be carried out.

705. Further, it was observed that the Regional Administration procures and stores drugs and medical supplies at the Regional Hardware Store. However, this Store is not properly equipped to facilitate the storage of these items and there were also no trained personnel to manage and issue the drugs and medical supplies.



*Region's Response:* The Head of Budget Agency explained that the Regional Administration is working to rectify the backlog of the Internal Stores Requisitions. In addition, measures have been put in place to ensure that the Bin Cards references are updated promptly as they change. Further, the drugs have since been moved to another location next to the Pharmacy for storage.

*Recommendation:* The Audit Office once again recommends that the Regional Administration ensure that the Stores Regulations are fully complied with at all times. (2015/430)

706. There were twelve vehicles which were not in working order. As a result, an Engineer from the Ministry of Communities (formerly Ministry of Local Government and Regional Development) recommended that three of these vehicles be disposed of, since they were unserviceable, while no mention was made of the other nine vehicles. At the time of reporting in September 2016, disposals of the unserviceable vehicles were still not done.

*Region's Response:* The Head of Budget Agency indicated that they will compile a new list of all unserviceable vehicles for valuation by the Ministry of Public Infrastructure after which approval will be obtained to dispose of them by way of public tender.

*Recommendation:* The Audit Office once again recommends that the Regional Administration liaise with the Ministry of Communities and the Ministry of Public Infrastructure to ensure these unserviceable vehicles are disposed of. (2015/431)

707. Circularised instructions state that for the occupation of Government quarters, Public Servants are required to pay rent of 10% and 12% of their salary for unfurnished and furnished accommodation respectively, except where entitlement to rent-free Government quarters had been previously approved, as a condition of service. There were one hundred and forty-nine residential buildings controlled by the Regional Administration. Of these, one hundred and seven were being occupied by officers of the Region, thirty were vacant, four were vandalised, five were for official use, two were destroyed by fire and one was demolished. In respect of the one hundred and seven occupied, rents were paid by officers for forty quarters, sixty officers had rent free quarters as part of their terms of service, thereby leaving seven persons who should be paying rent but were not.

*Region's Response:* The Head of Budget Agency explained that the Regional Administration is currently investigating this matter with a view to take corrective action with regards to the seven persons not paying rent.

*Recommendation:* The Audit Office recommends that the Regional Administration completes this activity and take the necessary steps to ensure all outstanding amounts for rent are collected and deposited into the Consolidated Fund. (2015/432)

708. An alleged robbery on 17 February 2011, at the Principal Assistant Secretary (Finance) Office, in which the Regional Accounting Unit Safe № 1091 was kept, resulted in a total of \$5.543M cash reported as stolen along with a quantity of cheques valued at \$194,519. The Head of Budget Agency indicated that the Regional Administration had since received the sum of \$2.600M from the Ministry of Finance. This sum represented \$1.900M for salaries, \$483,000 for Ministry of Amerindian Affairs (Inter-Departmental Warrants), \$103,000 for Ministry of Education, \$75,000 for Ministry of Agriculture and Evaluator's stipend totalling \$60,000. The remaining amount of \$2.940M had still not been received.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration had written the Finance Secretary seeking approval to write off the amount.

*Recommendation:* The Audit Office once again recommends that the Regional Administration follow-up this matter with the Finance Secretary and ensure that effectively functioning systems are in place for the safeguarding of public monies. (2015/433)

### Capital Expenditure

709. During the period under review, there was no progress in recovering overpayments made on contracts by the Regional Administration for the years 2010 to 2012. Amounts totalling \$20.406M remained outstanding as shown below:

Year	Description	Original O/payment \$'000	Amount Cleared \$'000	Balance \$'000
2010	Construct revetment at Watooka	21	0	21
"	Extension of Farm to Market Road	4,628	0	4,628
"	Upgrading drain at West Watooka	7,194	0	7,194
"	Construct revetment at Fox Road Hill Foot	221	0	221
"	Rehab revetment at Burnham Drive, Wismar	939	0	939
"	Upgrading Lower Well Road, Amelia's Ward	1,491	0	1,491
2011	Construct Fence at Mabura Nursery School	1,021	296	725
"	Completion of Charles Rosa Nursery	229	0	229
"	Construct Sanitary block at Wiruni Primary	227	50	177
"	Construction of Staff Quarters, 58 Miles, Mabura	910	231	679
"	Enclose Bottom Flat, Student Hostel, Kwakwani	155	0	155
"	Installation of HDPE culvert at West Watooka	6,788	6,161	627
2012	Extension of Kwakwani Secondary School	2,515	0	2,515
"	Construction of Medex House, Hururu	805	0	805
<b>Total</b>		<b>27,144</b>	<b>6,738</b>	<b>20,406</b>

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration is making every effort to recover the outstanding sums for the period 2010 - 2012.

*Recommendation:* The Audit Office once again recommends that the Regional Administration pursue this matter with the contractors with the view of recovering the overpayments. (2015/434)

Current year matters, with recommendations for improvement in the existing system

Current Expenditure

Office and Field Supplies

710. An examination of the Appropriation Account for Programme 4 (Health Services) revealed that an amount of \$98.822M was budgeted for the procurement of drugs & medical supplies. The Regional Democratic Council issued an Inter-Departmental Warrant on 9 December 2015 to the Ministry of Public Health valuing \$90M for the Ministry to procure drugs and medical supplies on behalf of the Region. However, audit checks revealed that the Ministry was unable to execute the purchase and failed to send financial return to notify the Region of the unexpended sum. As a result, the Region did not credit the Appropriation Account with the unspent amount, resulting in the Appropriation Account being overstated by \$90M. Nevertheless, it was noted that the sum of \$90M was credited to Revenue - Sundries by the Accountant General's Department.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will make every effort to ensure it receives its financial return from the Ministry of Public Health.

*Recommendation:* The Audit Office recommends that the Regional Administration comply with circularised instructions as it relates to the accounting and reporting for amounts issued by way of warrants. (2015/435)

Stores and Other Public Property

711. Section 29 of the Stores Regulations requires that log books be kept for each vehicle/equipment owned and/or operated by the Region to record information such as fuel and lubricants supplied and other pertinent information. The Regional Administration owns and controls fifty-one serviceable vehicles/machinery/equipment for which log books were required to be maintained and submitted for audit examinations. However, an audit examination of the records revealed the following unsatisfactory features:

- of the fifty-one vehicles/machinery/equipment, log books were only presented for ten of these vehicles/machinery/equipment, no log books were presented for the remaining forty-one; and
- an audit examination of the log books presented revealed that they continue to be poorly written up in that pertinent information such as odometer readings, fuel and lubricants received and signatures of officers authorising journeys were not always recorded.

*Region's Response:* The Head of Budget Agency explained that the Region will make every effort to have the log books maintained and updated.

*Recommendation:* The Audit Office recommends that the Regional Administration ensure all log books are properly written up, maintained and presented for audit examination. (2015/436)

### Capital Expenditure

712. The sum of \$240.257M was budgeted in 2015 for the Region to execute its capital programme. According to the Appropriation Account the sum of \$150.323M were expended, resulting in the Region not achieving its anticipated level of capital expenditure activities in 2015 by \$89.934M or 37.43%. Shown in the table below is the shortfall in capital expenditure:

Description	Budgeted Amount \$'000	Expenditure \$'000	Shortfall \$'000
Purchases	106,800	63,835	42,965
Buildings	65,200	24,167	41,033
Public Works	58,257	53,707	4,550
Miscellaneous D & I	10,000	8,614	1,386
Total	240,257	150,323	89,934

713. The shortfall of \$89.934M in expenditure was as a result of the Regional Administration (i) not acquiring a grader and vehicle for Public Works, purchase of vehicle for Health and purchase of a truck for Education; and (ii) not undertaking the rehabilitation of Christiansburg Secondary and Mackenzie High Schools and upgrading of electrical system at Regional Democratic Council Office. Nevertheless, these projects and items were re-budgeted for in 2016.

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration would have tried to execute the programs in the required time frame; however, the short budgetary period and tendering process and slow pace of works executed, would have all contributed to the shortfall in capital expenditure.

*Recommendation:* The Audit Office recommends that the Regional Administration undertake projects during the earlier part of the year so that any problem or issues encountered can be detected in a timely manner, to avoid delays and ensure amounts are expended as budgeted. (2015/437)

Buildings

714. The sum of \$65.200M was voted for (a) upgrading of electrical system at Regional Administration Building, Mackenzie; (b) construction of fences at Mackenzie High School and Christianburg Secondary School and rehabilitation of Mackenzie High School and Christianburg Secondary School, provision of outdoor equipment - Middle Street, Wiruni, One Mile, Amelia's Ward and Blueberry Hill Nursery Schools; and (c) construction of incinerators at Muritario, Coomacka and DeVeldt Health Centres and Sandhills and Ebini Health Posts, extension of One Mile and Amelia's Ward Health Centres. According to the Appropriation Account as at 31 December 2015, amounts totalling \$24.167M were expended.

715. The contract for general rehabilitation work to Wismar Christianburg Secondary School fencing was awarded by the Regional Tender Board to the lowest responsive of nineteen bidders in the sum of \$8.524M against an Engineer's Estimates of \$9M. The works comprise the general repairs to sections of the existing fence, construction of timber revetment and construction of a new section of chainlink fence. There was an approved variation giving a revised project cost of \$8.520M. The amount of \$7.054M was paid to the contractor to date and based on the physical measurements taken on site and calculations, overpayments totalling \$1.104M (see figure 13) were discovered as shown in the table below:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
	Reinforced Concrete and Block work						
h	Supply and lay 4" concrete hollow block to section of as directed in 1:3 cement mix	300	236	m.sq	64	2,520	161
	Provide and plaster in 1:3 sand cement mix to both side of wall	1,000	0	m.sq	1,000	720	720
2b	Ditto but mix 1:2:3 concrete & cast foundation strip 1'-6" width and 9" thickness	23	19	s.yd	4	42,000	168
2e	Ditto but 10 'G' chainlink fence 6'-0" height hoist & fix into position with arc as acetylene welding, inclusive of metal rods	365	301	s.yd	64	700	45
	Land Filling & Revetment Works						
	Bolts and Nuts						
2d	5/8" dia. Hexagonal head M.S. bolts	36	24	No	12	800	10
Total							1,104

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will ensure that the amount overpaid to the contractor will be recovered from the amounts owing on the project.

*Recommendation:* The Audit Office recommends that the Regional Administration take steps to recover the overpayment of \$1.104M and put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/438)



**Figure 13**

**Region 10**

Contract: General Rehabilitation Work to Wismar Christianburg Secondary School Fencing, Region 10

HCB fence completed without plastering (rendering)

**Total Overpayment \$1,103,680**

716. The contract for repairs and maintenance to Sand Hill Primary School was awarded by the Regional Tender Board to the lowest of three bidders in the sum of \$1.958M against an Engineer's Estimates of \$2M. The works consist of supplying labour, tools, materials and equipment to effect general repairs to the existing building. There was an approved variation giving a revised project cost of \$1.955M. The full amount was paid to the contractor to date and based on the physical measurements taken on site and calculations, overpayments totalling \$240,000 were discovered as shown in the table below:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
2	Carpentry Works						
a	Remove and replace damage lap edge wall boarding	210	163	bm	47	600	28
3	External Works (step)						
	Remove and replace damage step material						
	Stringer board 2" x 12"	120	20	bm	100	1,600	160
	Provide service toilet include for all missing parts	4	0	nr	4	13,000	52
Total							240

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will make contact with the contractor to recover the amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration take steps to recover the overpayment of \$240,200 and put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/439)

717. The contract for repairs to fence at Kwakwani Primary School was awarded by the Regional Tender Board to the lowest of four bidders in the sum of \$3.538M against the Engineer's Estimates of \$4M. The works consists of supplying labour, tools, materials and equipment to effect the construction of a chainlink fence and repairs to a section of the existing fence. There was an approved variation giving a revised project cost of \$3.505M. The full amount was paid to the contractor to date and based on the physical measurements taken on site and calculations, overpayments totalling \$500,400 were discovered as shown in the table below:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
Carpentry							
c	Supply and install 25mm x 300mm green heart mud board	500	409	m	91	1,500	137
	Supply and install 25mm x 300mm wallaba mud board	163	0	m	163	1,300	212
	Provide and pour 1:2:4 mix concrete in excavated area include for form work, brc and sand fill	4	0	c.yd	4	38,000	152
Total							501

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will investigate the above overpayment and take the necessary action to recover any amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration take steps to recover the overpayment of \$500,400 and put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/440)

718. The contract for repairs to fence at Kwakwani Park Nursery School was awarded by the Regional Tender Board to the most responsive of four bidders in the sum of \$1.523M. The works consists of supplying labour, tools, materials and equipment to effect the construction of a chainlink fence. There was an approved variation giving a revised project cost of \$1.522M. The full amount was paid to the contractor to date and based on the physical measurements taken on site and calculations, overpayments totalling \$106,000 were discovered as shown in the table below:

Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
Carpentry							
c	Supply and install 25mm x 300mm wallaba mudboard	120	110	m	10	1,350	14
	Supply and install top and bottom wallaba rail 50mm x 300mm	230	220	m	10	1,100	11
	Supply and install 25mm x 100mm wallaba rails	230	220	m	10	450	5
	Provide and pour 1:2:4 mix concrete in excavated area include for form work, brc and sand fill	2	0	c.yd	2	38,000	76
Total							106



*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will investigate the above overpayment and take the necessary action to recover any amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration take steps to recover the overpayment of \$105,000 and put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/441)

Public Works

719. The contract for construction of First Access Road Blue Berry, Wismar, was awarded by the Regional Tender Board to the lowest of seven bidders in the sum of \$6.164M. The works comprise of upgrading of roadway to asphaltic concrete surface with reinforced concrete side drains. There was an approved variation giving a revised project cost of \$7.130M. The full amount was paid to the contractor to date and based on the physical measurements taken on site and calculations, overpayments totalling \$170,000 were discovered as shown in the table below:

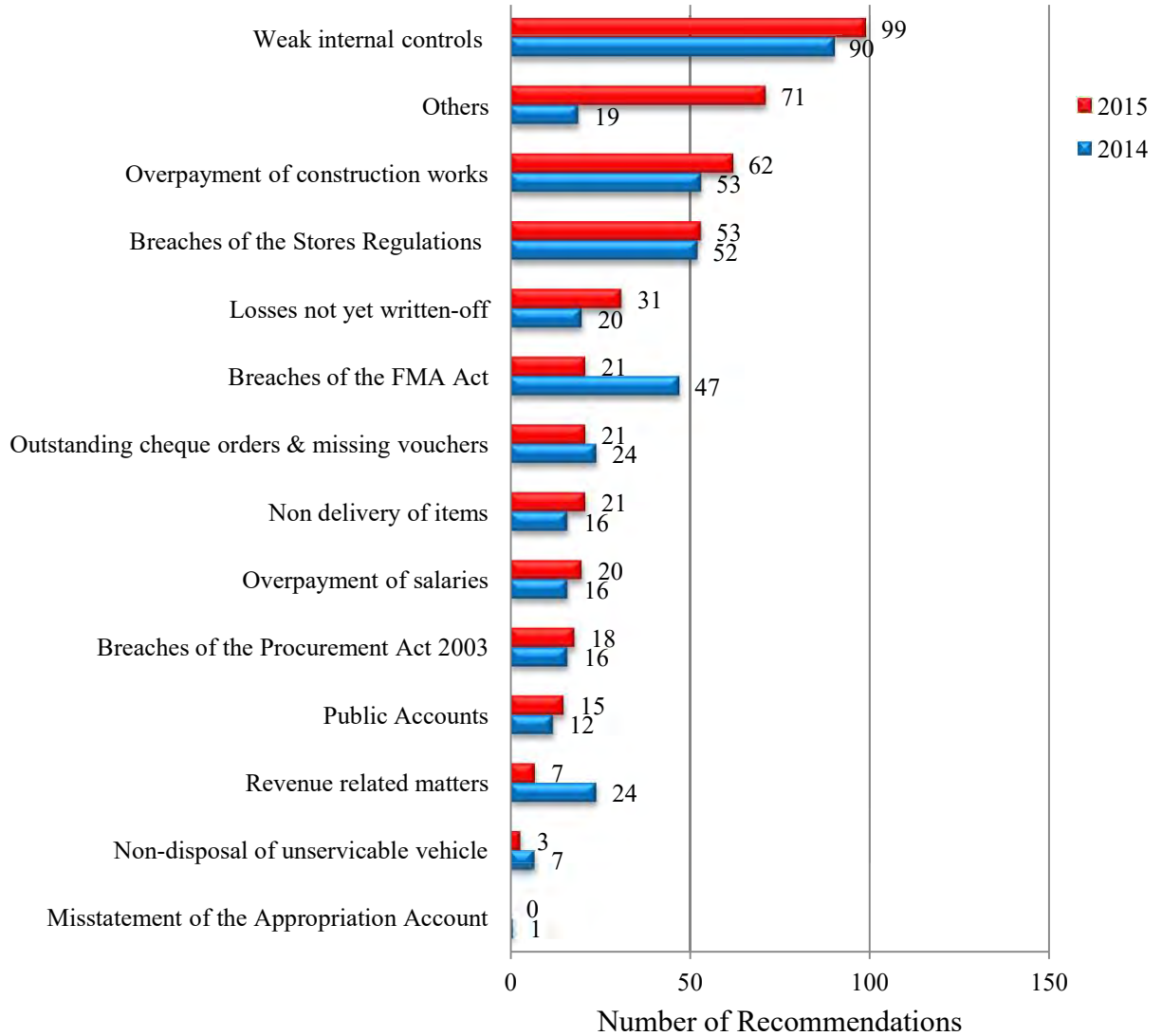
Item	Description	Qty Paid	Qty Found	Unit	Diff.	Rate \$	Amount Overpaid \$'000
	Solid cast 3" thk V profile Drain						
2.c	Supply and fix BRC fabric to foundation base & drain walls to form V profile drain as directed	200	171	Sq.yd	29	1,000	29
2.e	Supply & fix 1:2:4 insitu concrete and cast drain walls & foundation base 3" thk to form V profile level and compact into position	25	20.3	Cu.yd	4.70	30,000	141
Total							170

*Region's Response:* The Head of Budget Agency indicated that the Regional Administration will investigate the above overpayment and make every effort to recover any amount overpaid.

*Recommendation:* The Audit Office recommends that the Regional Administration take steps to recover the overpayment of \$170,000 and put systems in place to ensure that works completed are properly inspected and verified before payments are made to contractors. (2015/442)

## SUMMARY OF RECOMMENDATIONS

720. The Bar-Graph below illustrates the comparison of my recommendations (2015 - 442 and 2014 - 397) under generalised areas. As can be seen, overpayments on construction works and breaches of relevant legislations, which include the Fiscal Management and Accountability Act, Stores Regulations, Procurement Act 2003 and weak Internal Controls continued to dominate the findings, and are viewed with grave concern.



721. Of the 397 recommendations made in my 2014 Report, 344 were in relation to generalized areas; whilst, the difference of 53 was in respect of overpayments on construction works and related issues. At the time of reporting in September, 2016, 56 or approximately fourteen percent of the 397 recommendations that were in relation to generalized areas and overpayments on construction works and related issues were cleared, and 115 or approximately twenty-nine percent partially implemented; whilst, the difference of 223 or approximately fifty-six percent were not implemented.

My Report for 2015 has 442 recommendations, of which, 62 or approximately fourteen percent were in relation to overpayments on construction works and related issues. Of the 62 recommendations, 31 or approximately fifty percent were in relation to contracts that were awarded and/or completed in 2015, with overpayments valued \$36.197M. The difference of 31 or approximately fifty percent of these recommendations were in relation to contracts that were awarded and/or completed up to 2014, with overpayments amounting to \$376.995M.

722. In addition, of the 442 recommendations made in my 2015 Report, 388 or approximately ninety-four percent were in relation to generalized areas. Of these 388 recommendations, 191 or approximately forty-nine percent related to weak or non-existent internal controls, and breaches of legislation, including the Fiscal Management and Accountability Act and Stores Regulations.

723. The Audit Office continue to view the lack of action towards the implementation of prior recommendations with serious concerns and suggest stringent action be taken to address these findings, especially those related to overpayments on construction works, lack of/weak internal controls, including poor record keeping and breaches of relevant Legislations.

## OTHER ENTITIES

### SUMMARY OF AUDIT OPINIONS

724. A total of one hundred and sixteen opinions in relation to audits conducted on other entities were issued during the period 1 September 2015 to 31 August 2016. These include the audits of Public Enterprises, Statutory Bodies, Trade Unions, Neighbourhood Democratic Councils and Foreign Funded Projects. It should be noted that seventeen years of accounts for twelve entities were audited by Chartered Accountants in public practice under the contracting out arrangement in accordance with Part IV of the Audit Act 2004 at a total cost of \$55.537M. Outlined below is a summary of the audit opinions issued for the period 1 September 2015 to 31 August 2016.

Category	Opinions Issued		
	In House	Contracted	Total
Public Enterprises	7	9	16
Statutory Bodies	23	8	31
Trade Unions	3	-	3
Neighbourhood Democratic Councils	45	-	45
Foreign Funded Projects	21	-	21
Total	99	17	116

### AUDIT OF PUBLIC ENTERPRISES

725. There are thirty-one Public Enterprises that are required to be audited under the Public Corporations Act 1988. Of these thirty-one entities, sixteen years of accounts had been finalized in respect of thirteen entities, including nine which were executed under the contracting out arrangement and seven, executed in-house. An analysis of the opinions issued in respect of the nine contracted audits revealed that one was qualified and eight were unqualified. The seven audits executed in-house were all unqualified. Please see details below:

Qualified Opinion - Contracted Audit

№	Name of Entity	Year of Audit	Main Reason for Qualified Opinion
1	Guyana National Newspapers Ltd.	2014	Included in the amounts of \$119,907,389 and \$134,200,247 as Trade Receivables for the years ended 31 December 2014 and 2013 respectively, is the sum of \$26,199,452 which represents hold over credits for customers that could not be determined due to the absence of subsidiary ledgers. In addition, an aged analysis to determine the long outstanding amounts due to the company was not produced.

Unqualified Opinion - Contracted Audits

№	Name of Entity	Year (s) of Audit	№ of Opinions
1	Demerara Harbour Bridge Corporation	2013	1
2	Guyana National Shipping Corporation	2014	1
3	Guyana Sugar Corporation Incorporated	2013-2015	3
4	Guyana Power and Light Company	2015	1
5	Guyana Water Incorporated	2014	1
6	Guyana National Printers Limited	2014	1
	Total		8

Unqualified Opinion – In-house

№	Name of Entity	Year (s) of Audit	№ of Opinions
1	Property Holdings Incorporated	2014-2015	2
2	Cheddi Jagan International Airport Corporation	2013	1
3	Guyana Oil Company	2015	1
4	Guyoil Aviation Services Incorporated	2015	1
5	Guyoil Consolidation	2015	1
6	Atlantic Hotel Incorporated	2014	1
	Total		7

AUDIT OF STATUTORY BODIES

726. There are fifty-four Statutory Bodies that are required to be audited under relevant Acts of Parliament. Of these fifty-four entities, thirty-one years of accounts had been finalized in respect of twenty-three entities, of which eight were executed under the contracting out arrangement and twenty-three in-house. An analysis of the opinions issued in respect of the eight contracted audits revealed that one was qualified, one disclaimed and six were unqualified. Of the twenty-three audits executed in-house, nine were qualified and fourteen were unqualified. Please see details below:

Qualified Opinions -Contracted Audit

№	Name of Entity	Year(s) of Audit	Main Reason for Qualified Opinion
1	University of Guyana Pension Scheme	2004	Sufficient appropriate audit evidence was not obtained to verify the accuracy of the amount of \$12,543,129 reported as pension in the income and expenditure statement.

Disclaimer Opinion-Contracted Audit

№	Name of Entity	Year(s) of Audit	Main Reasons for Disclaimer Opinion
1	Mards Rice Milling Complex Limited	2012	<p>During the years 2000 to 2007, the Company borrowed three loans from the Government of Guyana which amounted to \$680,000,000. The signed agreements for these loans were not available for audit verification. In addition, interest has not been accrued for and no repayment has been made to date.</p> <p>Included in the balance of trade and other receivables at 31 December, 2012, is an amount of \$23,617,423 which is owed by the Guyana Rice Development Board (GRDB). The GRDB confirmation in 2008, disagreed with the balance and instead confirmed that MARDS owed it \$30,028,266.</p> <p>The Company made payments totaling \$44,000,000 in 2011 to the Mahaica Mahaicony Abary (MMA) for the rehabilitation of the Onverwagt road and the acquisition of an Excavator. \$14,000,000 was paid by the MARDS for the acquisition of an Excavator and \$30,000,000 was paid by GRDB directly to the MMA on behalf of MARDS.</p> <p>Further, in 2012 another \$14,500,000 was paid by MARDS for a Bulldozer, while amounts of \$6,223,371 and \$3,500,000 were paid for fuel and fertilizer for MMA.</p>

№	Name of Entity	Year(s) of Audit	Main Reasons for Disclaimer Opinion
			<p>There was no evidence to substantiate the Board's approval for the payment of these amounts and if any terms and conditions are attached to the amounts received by MMA.</p> <p>The amount of \$68,253,068 shown as taxation payable in the Statement of Financial Position represents corporation and capital gains tax payable to the Guyana Revenue Authority. In the absence of adequate records and a reconciliation to support the balance, the accuracy and the validity of this amount if it is payable, may be subject to interest and penalties since it has been outstanding to date. In addition, VAT payable of \$12,551,509 has not been paid to date. This balance may also be subject to interest and penalty.</p>

Unqualified Opinion - Contracted Audits

№	Name of Entity	Year (s) of Audit	№ of Opinions
1	Guyana Gold Board	2014	1
2	Guyana Forestry Commission	2011-2014	4
3	Guyana Rice Development Board	2015	1
	Total		6



Qualified Opinions - In-house

№	Name of Entity	Year(s) of Audit	Main Reasons for Qualified Opinion
1	Guyana National Bureau of Standards	2006-2007	Assets valued \$5,678,010 represents capitalization cost incurred in 2001 for the renovation of the office. However, the Bureau does not own the building that housed the office therefore the amount should have been reflected as expenditure in the Income and Expenditure Statement. This resulted in an overstatement of fixed assets and understatement of expenditure.
2	University of Guyana	2013	The University did not provide records to verify bank balances totaling \$39,775,298 for three bank accounts held. Relevant records were not provided to substantiate the amounts totaling \$196,005,588 as students and other deposits for the year under review for the University.
3	Integrity Commission	2014	Prior to the year 2008, improper record keeping, irregularities and misappropriation of funds resulted in a suspense account in the sum of \$1.469M being opened in the statement of financial position as at 31 December 2008. These irregularities have not yet been corrected; however, a movement to this account was done as at 31 December 2014 by a reduction in the sum of \$699,207. This movement has not been justified with any evidence or basis for the reduction in the suspense account.
4	Government Information Agency	2010-2012	The amount of \$1,077,266 represents inventory for the year 2010. An examination revealed that neither stock ledger nor bin cards were maintained during the year.

№	Name of Entity	Year(s) of Audit	Main Reasons for Qualified Opinion
5	National Data Management Authority	2014	<p>The amounts of \$84,187,892 (2010), \$103,237,896 (2011) and \$106,057,068 (2012) represents Receivables. An examination of the Age Analysis revealed that there were 68 (2010), 61 (2011) and 44 (2012) balances totaling \$49,576,325 (2010), \$97,872,884 (2011) and \$49,937,952 (2012) which were over the 90 days period. Further, there was no evidence that the Agency has a policy for the provision of bad debts.</p> <p>The Authority continues to reflect the amount of \$27,253,156 which represents 97% of the total receivables as outstanding from the Ministry of Education since the year 2010. Management has since indicated that follow up with the Ministry has been done to recover the outstanding amount in 2013. However, evidence was still not provided to support such follow up action.</p> <p>Further, it should be noted that there is no evidence the Authority provided for a provision for bad debts should this amount become irrecoverable.</p>
6	National Library	2012	<p>The amount of \$33,760,781 represents the net book value of the fixed assets. An examination of the records in relation to fixed assets revealed that the acquisition dates, depreciation charges, and net book value were not recorded in the Fixed Assets Register.</p> <p>A cashbook was not maintained for the year under review, only a general ledger was presented for audit scrutiny. The general ledger did not reflect all the monthly balances.</p>

№	Name of Entity	Year(s) of Audit	Main Reasons for Qualified Opinion
			<p>The amount of \$10,251,631 was shown as debtors and prepayments which comprised of staff loans totalling \$9,659,208 and prepayments of \$592,423. A debtor's ledger and other related schedules were not presented for audit examination nor was a schedule of staff loan balances to facilitate easy verification.</p> <p>The amount of \$1,970,708 was shown as creditors and accruals as at 31 December 2012. However, a creditor's ledger was not maintained for the year under review. An examination of the general ledger and related journals reflected a balance of \$2,491,798 resulting in a difference of \$521,090.</p>

Unqualified Opinions – In-house

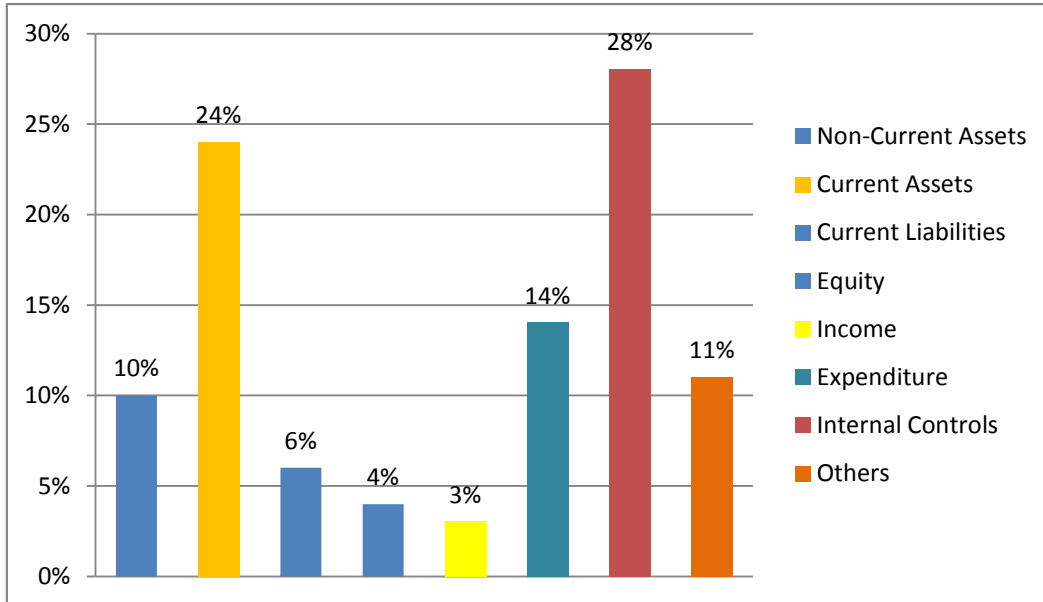
№	Name of Entity	Year (s) of Audit	№ of Opinions
1	General Nursing Council	2014	1
2	Student Loan Agency	2012	1
3	Small Business Bureau	2014	1
4	Bank of Guyana	2014-2015	2
5	Sugar Industry Labour Welfare Fund Committee	2010-2011	2
6	Forest Products Development and Marketing Council Incorporated	2014	1
7	National Trust of Guyana	2014	1
8	Dependant's Pension Fund	2015	1
9	Financial Intelligence Unit	2014	1
10	Environmental Protection Agency/Wildlife Division	2014	1
11	Pesticides and Toxic Chemicals Control Board	2014	1
12	Guyana Energy Agency / Guyana Marking Services	2014	1
	Total		14

727. Of the fifty-four Statutory Bodies that are required to submit annual financial statements after the end of each financial year for audit, six entities were significantly in arrears in terms of financial reporting. The following sets out the status in respect of these six entities, at the time of reporting.

№	Name of Entity	Year Last Audited	Remarks
1	Guyana Tourism Authority	-	No financial statements received since its establishment in 2002.
2	Hope Coconut Industries	1994	No financial statements received for 1995-2007. 2008-2010 financial statement returned to be corrected.
3	Guyana Export Promotion Council	1997	No financial statements received for 1998-2015.
4	President's College	2001	2002 -2007 financial statements returned to be corrected. No financial statements received for 2008-2015.
5	Maritime Authority	2003	2004 Draft Management Letter being revised. 2005 audit in progress. No financial statements received for 2006-2015.
6	Queen's College	2006	2007-2009 audits completed, to be finalized. No financial statements received for 2010-2015.

## SUMMARY OF RECOMMENDATIONS – QUALIFIED OPINIONS

728. A number of recommendations to correct weaknesses identified and improve systems of internal controls, were made in the various audit reports issued. The Chart below gives an analysis of the similar areas of audit recommendations made in respect of the eleven qualified opinions issued - one for Public Enterprises and ten for Statutory Bodies.



729. The FMA Act requires that annual reports and audited Financial Statements of all Statutory Bodies and those entities in which the State has a controlling interest be tabled in Parliament. However, of the forty-seven audit opinions issued, only two Public Enterprises and two Statutory Bodies were laid in Parliament as at 31 August, 2016.

## AUDIT OF TRADE UNIONS

730. There are twenty-three Trade Unions that are required to be audited by the Audit Office. Of these twenty-three Trade Unions, three years of account for two Trade Unions had been finalised, all were unqualified as shown below, of the remaining twenty-one Trade Unions, fourteen were significantly in arrears for ten years and over, at the time of reporting.

Name of Entity	Year(s) of Audit	Nº of Opinions
Guyana Agricultural and General Workers' Union	2014-2015	2
National Association of Agricultural Commercial and Industrial Employees	2014	1
Total		3

### AUDIT OF NEIGHBOURHOOD DEMOCRATIC COUNCILS

731. There are sixty-five Neighbourhood Democratic Council (NDC) that are required to be audited by the Audit Office. Of these sixty-five NDC's, forty-five years of accounts had been finalized in respect of five NDC's. An analysis of the opinions issues revealed that the qualifications were for similar issues as detailed below.

Nº	Name of Entities	Year(s) of Audit	Reasons for Qualified Opinions
1	Aberdeen/Zorg-En-Vlygt Neighbourhood Democratic Council	2005-2009	Fixed assets register was not maintained.
2	Good Hope/Pomona Neighbourhood Democratic Council	2002-2009	The depreciation charges could not be accurately verified, as a result, the amount stated as expenditure in the income and expenditure statements would be under or over stated.
3	Evergreen/Paradise Neighbourhood Democratic Council	1997-2009	
4	Annandale/Riverstown Neighbourhood Democratic Council	2002-2009	The accuracy of the arrears rates and taxes could not have been verified since a schedule of debtors was not produced for audit examination. Also, a debtors control account was not kept and an aged analysis of debtors was not prepared.
5	Charity/Urasara Neighbourhood Democratic Council	1999-2009	

AUDIT OF FOREIGN FUNDED PROJECTS

732. The Audit Office concluded twenty one audits of Foreign Funded Projects as shown below:

Name of Funding Agency	Year(s) of Audit	Type of Opinion	Nº of Opinions
Inter-American Development Bank	2015	Unqualified	11
International Development Association	2015	Unqualified	1
United Nations Development Fund	2014-2015	Unqualified	5
International Fund for Agricultural Development	2014-2015	Unqualified	2
German Development Bank	2015	Unqualified	1
Caricom Development Fund	2015	Unqualified	1
Total			21

SPECIAL INVESTIGATIONS

733. Three special investigations were finalised during 2015-2016 as detailed below:

- Ministry of Human Services/Ministry of Social Protection –Distribution of Old Age Pension and Public Assistance for the Mabaruma District;
- Ministry of Legal Affairs – Purchase of Law Books and Computer Parts; and
- Ministry of Education – Imprest Operation.



## PERFORMANCE AUDITS

734. Since the establishment of our Performance audit section in 2008, examination are done to verify the extent to which a public entity is applying its resources and carrying out its activities economically, efficiently and effectively and with due regard to ensuring effective internal management control. In this regard, the Audit Office had presented three performance audit reports to Parliament as follows:

- a. An assessment of the Living Conditions of the Residents of the Palms Geriatric Institution;
- b. A review of the Old Age Pension Programme in Guyana; and
- c. An assessment of the Living Conditions of the Residents of the Palms Geriatric Institution (Follow-up).

735. In addition, the Office is conducting two other Performance Audits which are currently at their reporting stage, these are:

- a. An Assessment of the Administration of Registration and De-Registration for Value Added Tax (VAT) in Guyana. The audit was as a result of Guyana being part of a team in CAROSAI which is undertaking a “cooperative audit “ of their respective Revenue Agencies; and
- b. Management, Monitoring and Assessment of the Construction of the New Access Road from Timehri Police Station to the Terminal Building at the Cheddi Jagan International Airport. This audit was as a result of Guyana and two other member countries of CAROSAI being indentified to undertake Performance Audit of Capital Projects in their respective country.

## ACKNOWLEDGEMENTS

736. I wish to record my sincere gratitude to the staff of the Audit Office, many of whom worked beyond the call of duty to help me to execute the audits and to complete this Report. My sincere thanks also go out to Ministry of Finance, Accountant General and Heads of Budget Agencies along with their staff for the level of cooperation shown during the course of the audits and for the explanations provided in relation to my findings.

**END OF YEAR BUDGET OUTCOME AND RECONCILIATION REPORT - REVENUE  
OF THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

Reporting Object Group	Description	Approved Estimates 2015	Actual Receipts Paid into Consolidated Fund 2015	Variance 2015	Actual Receipts Paid into Consolidated Fund 2014
		\$'000	\$'000	\$'000	\$'000
<u>CURRENT REVENUE</u>					
500	Customs and Trade Taxes	13,326,261	13,156,236	(170,025)	13,454,797
510	Internal Revenue	60,404,787	61,044,186	639,399	56,866,062
520	Stamp Duties	519,573	446,088	(73,485)	618,392
525	Other Tax Revenues	0	0	0	0
530	Fees and Fines	1,175,059	1,210,984	35,925	1,109,544
540	Interest	2,179	2,041	(138)	2,399
545	Rents and Royalties	12,092	8,866	(3,226)	11,694
555	Dividends and Transfers	14,046,034	12,391,796	(1,654,238)	5,291,516
560	Miscellaneous Receipts	4,644,187	5,965,380	1,321,193	2,949,980
590	Value Added Taxes	39,438,044	35,373,655	(4,064,389)	37,307,010
594	Excise Taxes	30,083,414	33,330,463	3,247,049	28,234,080
597	Miscellaneous Receipts	122,128	102,709	(19,419)	168,398
	<b>SUB TOTAL</b>	<u>163,773,758</u>	<u>163,032,404</u>	<u>(741,354)</u>	<u>146,013,873</u>
<u>CAPITAL REVENUE</u>					
565	Sale of Assets	0	2,123	2,123	3,569
570	Miscellaneous Capital Revenue	2,489,668	2,484,668	(5,000)	2,364,148
575	External Grants	4,983,950	3,851,351	(1,132,599)	920,443
580	External Loans	13,976,976	9,537,557	(4,439,419)	14,010,414
	<b>SUB TOTAL</b>	<u>21,450,594</u>	<u>15,875,699</u>	<u>(5,574,895)</u>	<u>17,298,573</u>
	<b>GRAND TOTAL</b>	<u>185,224,352</u>	<u>178,908,103</u>	<u>(6,316,249)</u>	<u>163,312,446</u>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

End of the Year Budget Outcome and Reconciliation Report-Revenue of the Government  
of Guyana for the Fiscal Year Ended 31 December 2015

Explanation of Significant differences between Estimates and out-turn of Revenue due to either:

- Movements in the underlying economic assumptions and parameters used in the preparation of the annual proposal;
- Changes in revenue policies during the year; or
- Slippages in delivery of Budget measures.

Current Revenue

Central Government current revenue collections for 2015 contracted by \$741M compared to the 2015 budget. This out-turn was attributed to:

- Lower than anticipated receipt on Dividends from Non-Financial Institutions which totalled \$1 billion compared to the budgeted amount of \$2.002 billion. There was also lower than anticipated receipt from Bank of Guyana profits by \$687M compared to the estimated \$4.200billion. However, this was compensated by Sundries receipts which exceed the estimated \$3.364 billion by \$1.237 billion;
- Lower than anticipated receipt on Property Tax from Private Sector Companies, Corporation Tax from Private Sector Companies and Property Tax from Individuals which totalled \$1.094 billion, \$680M and \$555M compared to the budgeted amount of \$1.683 billion, \$26.349 billion and \$555M respectively? However, this was compensated for by Property Tax on Public Sector Companies which exceeded its estimated \$423M by \$2.189 billion; and
- Lower than anticipated receipt on Value Added Tax (VAT) on Domestic Services which totalled \$4.744 billion compared to the budgeted amount of \$18.108 billion. However, this was compensated by VAT on Imports-Petroleum Products which exceeded the estimated \$16.121 billion by \$3.235 billion.

Capital Revenue

Capital revenue reflected a negative variance of \$5.575 billion which was attributed to Project loans that were below approved estimates on account of timing issues in the execution of some projects including fulfilling conditions precedent to disbursement, delay in awards, slow implementation, slow progress by contractor among others. The table below details five instances which mainly resulted in the negative variance:

Description	Approved Estimate \$'M	Amount collected \$'M	Variance \$'M
IDB (Loan)	5,173	1,995	3,179
China	1,877	891	985
EU	952	231	720
CDF	790	626	163
IDB (Grant)	289	139	150
Total	9,081	3,882	5,197

**END OF YEAR BUDGET OUTCOME AND RECONCILIATION REPORT - CURRENT EXPENDITURES  
OF THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000
01	Office of the President				
	1 Administrative Services	858,621	860,961	2,340	<b>1,283,050</b>
	2 Presidential Advisory	551,031	547,102	(3,929)	<b>808,984</b>
	3 Defence and National Security	34,744	34,442	(302)	<b>64,612</b>
	4 Public Policy and Planning	0	0	0	<b>0</b>
02	Office of the Prime Minister				
	1 Prime Minister's Secretariat	267,980	267,793	(187)	<b>273,520</b>
03	Ministry of Finance				
	1 Policy and Administration	13,414,214	12,732,155	(682,059)	<b>17,702,816</b>
	2 Public Financial Management	4,303,621	3,718,994	(584,627)	<b>4,175,485</b>
04	Ministry of Foreign Affairs				
	1 Development of Foreign Policy	1,263,869	1,075,191	(188,678)	<b>980,425</b>
	2 Foreign Policy Promotions	2,611,628	2,329,627	(282,001)	<b>2,348,940</b>
	3 Development of Foreign Trade Policy	39,816	36,882	(2,934)	<b>39,450</b>
05	Ministry of Presidency				
	1 Policy Development and Administration	695,186	649,763	(45,423)	<b>0</b>
	2 Defence and National Security	72,211	42,350	(29,861)	<b>0</b>
	3 Public Service Management	350,746	278,834	(71,912)	<b>0</b>
	4 Natural Resource Management	354,187	347,590	(6,597)	<b>0</b>
	5 Citizenship and Immigration Service	241,463	115,155	(126,308)	<b>0</b>
07	Parliament Office				
	1 National Assembly	810,361	742,961	(67,400)	<b>942,679</b>
08	Audit Office of Guyana				
	1 Audit Office of Guyana	649,308	643,527	(5,781)	<b>0</b>
09	Public and Police Service Commission				
	1 Public and Police Service Commission	61,647	60,647	(1,000)	<b>50,196</b>
10	Teaching Service Commission				
	1 Teaching Service Commission	87,421	76,008	(11,413)	<b>70,416</b>
11	Elections Commission				
	1 Elections Commission	3,307,856	1,480,220	(1,827,636)	<b>1,578,612</b>
	2 Elections Administration	2,346,704	2,103,288	(243,416)	<b>0</b>
13	Ministry of Local Government & Regional Development				
	1 Main Office	72,963	73,782	819	<b>103,836</b>
	2 Ministry Administration	30,668	33,093	2,425	<b>49,676</b>
	3 Regional Development	124,200	120,780	(3,420)	<b>177,300</b>
	C/F	<b>32,550,445</b>	<b>28,371,145</b>	<b>(4,179,300)</b>	<b>30,649,998</b>

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000
	B/F	32,550,445	28,371,145	(4,179,300)	<b>30,649,998</b>
14	Public Service Ministry				
	1 Public Service Management	715,043	670,899	(44,144)	<b>1,032,756</b>
15	Ministry of Foreign Trade & International Cooperation				
	1 Foreign Trade and Intl Coop	0	0	0	<b>0</b>
16	Ministry of Amerindian Affairs				
	1 Amerindian Development	359,368	351,279	(8,089)	<b>434,661</b>
17	Ministry of Indigenous People's Affairs				
	1 Policy Development and Administration	302,196	275,962	(26,234)	<b>0</b>
21	Ministry of Agriculture				
	1 Ministry Administration	15,956,100	16,036,334	80,234	<b>10,238,673</b>
	2 Crops and Livestock Support Services	0	0	0	<b>0</b>
	3 Fisheries	127,376	126,346	(1,030)	<b>123,245</b>
	4 Hydrometeorological Services	469,547	467,328	(2,219)	<b>431,517</b>
22	Ministry of Tourism				
	1 Policy Development and Administration	60,244	59,062	(1,182)	<b>0</b>
	2 Tourism Development	72,093	174,093	102,000	<b>0</b>
	3 Consumer Protection	32,154	31,216	(938)	<b>0</b>
23	Ministry of Tourism, Commerce and Industry				
	1 Main Office	340,552	336,841	(3,711)	<b>499,475</b>
	2 Ministry Administration	39,508	39,158	(350)	<b>66,624</b>
	3 Commerce, Industry & Consumer Affairs	70,689	66,721	(3,968)	<b>104,449</b>
24	Ministry of Natural Resources & The Environment				
	1 Ministry Administration	135,147	131,228	(3,919)	<b>117,256</b>
	2 Natural Resource Management	78,376	78,376	0	<b>119,490</b>
	3 Environmental Management	267,983	267,983	0	<b>423,091</b>
25	Ministry of Business				
	1 Policy Development and Administration	78,473	71,370	(7,103)	<b>0</b>
	2 Business Development, Support and Promotion	134,651	133,539	(1,112)	<b>0</b>
31	Ministry of Public Works				
	1 Ministry Administration	426,681	426,535	(146)	<b>618,450</b>
	2 Public Works	1,315,351	1,313,936	(1,415)	<b>1,811,930</b>
	3 Transport	19,168	19,018	(150)	<b>66,613</b>
32	Ministry of Public Infrastructure				
	1 Policy Development and Administration	1,507,265	1,496,438	(10,827)	<b>0</b>
	2 Public Works	1,121,623	1,119,577	(2,046)	<b>0</b>
	3 Transport	48,466	48,348	(118)	<b>0</b>
40	Ministry of Education				
	1 Policy Development and Administration	603,761	487,180	(116,581)	<b>0</b>
	2 Training and Development	815,561	749,807	(65,754)	<b>0</b>
	3 Nursery Education	789,274	776,325	(12,949)	<b>0</b>
	4 Primary Education	1,252,538	1,236,429	(16,109)	<b>0</b>
	5 Secondary Education	1,349,988	1,318,249	(31,739)	<b>0</b>
	6 Post-Secondary/Tertiary Education	1,141,559	1,198,249	56,690	<b>0</b>
	7 Cultural Preservation and Cons	210,191	205,966	(4,225)	<b>0</b>
	8 Youth	63,408	58,042	(5,366)	<b>0</b>
	C/F	<b>62,454,779</b>	<b>58,142,979</b>	<b>(4,311,800)</b>	<b>46,738,227</b>

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000
	B/F	62,454,779	58,142,979	(4,311,800)	46,738,227
41	Ministry of Education				
	1 Main Office	371,066	370,145	(921)	445,254
	2 National Education Policy-Implementation Sup.	151,405	150,220	(1,185)	225,072
	3 Ministry Administration	999,724	993,122	(6,602)	2,403,968
	4 Training and Development	694,000	692,170	(1,830)	1,059,260
	5 Education Delivery	3,826,113	3,822,683	(3,430)	7,435,131
42	Ministry of Communities				
	1 Sustainable Communities Management	164,887	155,588	(9,299)	0
	2 Sustainable Communities Development	215,736	213,991	(1,745)	0
43	Ministry of Public Health				
	1 Policy Development and Administration	346,214	281,616	(64,598)	0
	2 Disease Control	863,790	491,275	(372,515)	0
	3 Family Health Care Services	222,531	171,761	(50,770)	0
	4 Regional and Clinical Services	3,389,241	3,316,582	(72,659)	0
	5 Health Sciences Education	201,535	132,979	(68,556)	0
	6 Standards and Technical Service	231,600	215,059	(16,541)	0
	7 Disability and Rehabilitation Service	83,777	71,010	(12,767)	0
44	Ministry of Culture, Youth and Sports				
	1 Ministry Administration	118,792	115,710	(3,082)	188,600
	2 Culture	338,481	337,547	(934)	569,876
	3 Youth	342,785	338,744	(4,041)	519,786
	4 Sports	182,951	182,051	(900)	265,318
	5 Youth Entrepreneurial Skills Training	0	0	0	0
45	Ministry of Housing and Water				
	1 Housing & Water	263,257	263,251	(6)	513,184
46	Georgetown Public Hospital Corporation				
	1 Public Hospital	3,951,460	3,951,460	0	5,289,270
47	Ministry of Health				
	1 Ministry Administration	675,677	673,804	(1,873)	842,812
	2 Diseases Control	337,077	336,667	(410)	984,544
	3 Primary Health Care Services	542,991	541,045	(1,946)	614,506
	4 Regional & Clinical Services	4,049,215	4,047,919	(1,296)	5,136,773
	5 Health Sciences Education	312,228	310,477	(1,751)	468,070
	6 Standards & Technical Services	408,505	404,407	(4,098)	511,603
	7 Rehabilitation Services	206,533	202,350	(4,183)	255,717
48	Ministry of Labour, Human Service & Social Security				
	1 Strategic Planning, Administration & Human Services	119,302	117,811	(1,491)	207,042
	2 Social Services	5,394,934	5,354,893	(40,041)	8,569,649
	3 Labour Administration	205,482	200,663	(4,819)	379,111
	4 Child Care & Protection	253,080	242,224	(10,856)	352,171
49	Ministry of Social Protection				
	1 Policy Development and Administration	97,269	93,980	(3,289)	0
	2 Social Services	3,458,104	3,455,610	(2,494)	0
	3 Labour Administration	222,075	214,971	(7,104)	0
	4 Child Care and Protection	174,699	171,530	(3,169)	0
	C/F	95,871,295	90,778,294	(5,093,001)	83,974,945

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000
	B/F	95,871,295	90,778,294	(5,093,001)	83,974,945
51	Ministry of Home Affairs				
	1 Secretariat Services	412,531	412,528	(3)	521,036
	2 Guyana Police Force	5,494,681	5,494,680	(1)	6,809,750
	3 Guyana Prison Services	888,373	888,372	(1)	1,180,535
	4 Police Complaints Authority	7,585	7,583	(2)	9,823
	5 Guyana Fire Service	539,775	539,775	0	672,825
	6 General Register Office	101,238	99,554	(1,684)	174,342
	7 Customs Anti Narcotics Unit	66,225	65,806	(419)	66,444
52	Ministry of Legal Affairs				
	1 Main Office	28,657	28,634	(23)	20,981
	2 Ministry Administration	45,228	44,637	(591)	49,144
	3 Attorney General's Chambers	816,989	814,976	(2,013)	150,247
	4 State Solicitor	25,892	25,820	(72)	26,797
	5 Deeds Registry	0	0	0	28,145
53	Guyana Defense Force				
	1 Defence and Security Support	8,609,057	9,017,177	408,120	7,391,511
54	Ministry of Public Security				
	1 Policy Development and Administration	236,827	190,147	(46,680)	0
	2 Police Force	2,584,743	2,539,166	(45,577)	0
	3 Prison Service	415,111	428,024	12,913	0
	4 Police Complaints Authority	8,143	7,138	(1,005)	0
	5 Fire Service	345,842	332,980	(12,862)	0
	6 Customs Anti Narcotics Unit	100,074	60,984	(39,090)	0
55	Supreme Court of Judicature				
	1 Supreme Courts of Judicature	1,413,645	1,312,779	(100,866)	964,284
	2 Magistracy	0	0	0	117,021
56	Public Prosecutions				
	1 Public Prosecutions	117,444	115,435	(2,009)	87,819
57	Office of the Ombudsman				
	1 Ombudsman	28,299	17,667	(10,632)	18,432
58	Public Service Appellate Tribunal				
	1 Public Service Appellate Tribunal	15,470	1,202	(14,268)	2,287
59	Ethnic Relations Commission				
	1 Ethnic Relations Commission	27,596	27,596	0	0
60	Judicial Service Commission				
	1 Judicial Service Commission	2,340	2,340	0	0
61	Rights Commission				
	1 Rights Commission	35,670	31,484	(4,186)	0
62	Public Procurement Commission				
	1 Public Procurement Commission	1	0	(1)	0
	C/F	118,238,731	113,284,778	(4,953,953)	102,266,366



Agency No.	Description	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000
	B/F	118,238,731	113,284,778	(4,953,953)	102,266,366
71	Region 1 - Barima/Waini				
	1 Regional Administration & Finance	155,600	153,373	(2,227)	116,516
	2 Public Works	219,798	215,719	(4,079)	188,792
	3 Education Delivery	946,938	925,679	(21,259)	838,628
	4 Health Services	469,901	454,690	(15,211)	348,222
72	Region 2 - Pomeroon/Supenaam				
	1 Regional Administration & Finance	160,995	160,319	(676)	145,865
	2 Agriculture	249,442	257,928	8,486	236,887
	3 Public Works	94,090	91,537	(2,553)	88,290
	4 Education Delivery	1,469,257	1,463,689	(5,568)	1,351,064
	5 Health Services	598,315	596,253	(2,062)	468,303
73	Region 3 - Essequibo Islands/West Demerara				
	1 Regional Administration & Finance	166,215	169,240	3,025	153,090
	2 Agriculture	244,082	243,877	(205)	235,811
	3 Public Works	78,857	78,813	(44)	81,085
	4 Education Delivery	2,013,088	2,012,762	(326)	1,810,029
	5 Health Services	899,026	903,400	4,374	681,739
74	Region 4 - Demerara/Mahaica				
	1 Regional Administration & Finance	154,795	147,592	(7,203)	149,118
	2 Agriculture	262,548	260,468	(2,080)	231,905
	3 Public Works	116,081	113,078	(3,003)	111,667
	4 Education Delivery	2,815,403	2,807,916	(7,487)	2,590,799
	5 Health Services	559,732	554,679	(5,053)	302,356
75	Region 5 - Mahaica/Berbice				
	1 Regional Administration & Finance	118,173	117,918	(255)	112,068
	2 Agriculture	120,687	116,918	(3,769)	111,240
	3 Public Works	102,898	101,757	(1,141)	91,857
	4 Education Delivery	1,141,009	1,138,651	(2,358)	1,074,005
	5 Health Services	393,188	390,791	(2,397)	303,142
76	Region 6 - East Berbice/Corentyne				
	1 Regional Administration & Finance	130,477	130,263	(214)	119,331
	2 Agriculture	572,435	572,133	(302)	475,749
	3 Public Works	168,422	167,210	(1,212)	176,363
	4 Education Delivery	2,510,855	2,508,616	(2,239)	2,274,461
	5 Health Services	1,267,531	1,228,889	(38,642)	1,054,278
77	Region 7 - Cuyuni/Mazaruni				
	1 Regional Administration & Finance	164,012	163,894	(118)	138,399
	2 Public Works	122,413	122,351	(62)	128,856
	3 Education Delivery	1,018,114	971,693	(46,421)	905,160
	4 Health Services	376,433	376,264	(169)	323,492
78	Region 8 - Potaro/Siparuni				
	1 Regional Administration & Finance	83,863	83,616	(247)	72,231
	2 Public Works	123,195	123,084	(111)	109,000
	3 Education Delivery	477,505	476,582	(923)	437,832
	4 Health Services	177,709	183,755	6,046	150,080
	C/F	138,981,813	133,870,175	(5,111,638)	120,454,077

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000
	B/F	138,981,813	133,870,175	(5,111,638)	120,454,077
79	Region 9 - Upper Takatu/Upper Essequibo				
	1 Regional Administration & Finance	129,628	125,112	(4,516)	107,669
	2 Agriculture	31,313	31,158	(155)	23,304
	3 Public Works	114,181	113,024	(1,157)	105,956
	4 Education Delivery	690,651	689,295	(1,356)	679,243
	5 Health Services	261,906	252,818	(9,088)	221,722
80	Region 10 - Upper Demerara/Upper Berbice				
	1 Regional Administration & Finance	160,992	155,173	(5,819)	140,588
	2 Public Works	126,554	110,568	(15,986)	136,305
	3 Education Delivery	1,734,765	1,605,392	(129,373)	1,412,918
	4 Health Services	417,569	410,866	(6,703)	301,226
	<b>SUB TOTAL</b>	<b>142,649,372</b>	<b>137,363,581</b>	<b>(5,285,791)</b>	<b>123,583,007</b>
<b>STATUTORY</b>					
01	Office of the President	14,048	14,047	(1)	22,671
03	Ministry of Finance	3,562,804	3,424,295	(138,509)	3,277,164
05	Ministry of Presidency	8,624	7,513	(1,111)	0
07	Parliament Office	299,624	233,127	(66,497)	372,464
08	Audit Office of Guyana	0	0	0	0
09	Public and Police Service Commission	14,794	14,789	(5)	7,096
10	Teaching Service Commission	8,094	7,948	(146)	10,405
11	Elections Commission	34,456	34,382	(74)	60,256
51	Ministry of Home Affairs	19,717	19,717	0	15,579
54	Ministry of Public Security	8,859	8,150	(709)	0
55	Supreme Court of Judicature	0	0	0	112,125
56	Public Prosecutions	13,570	13,569	(1)	18,137
57	Office of the Ombudsman	11,056	11,056	0	15,185
58	Public Service Appellate Tribunal	0	0	0	0
90	Public Debt	35,384,967	15,092,519	(20,292,448)	9,758,074
	<b>SUB TOTAL</b>	<b>39,380,613</b>	<b>18,881,112</b>	<b>(20,499,501)</b>	<b>13,669,156</b>
	<b>TOTAL PAYMENTS</b>	<b>182,029,985</b>	<b>156,244,693</b>	<b>(25,785,292)</b>	<b>137,252,163</b>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**END OF YEAR BUDGET OUTCOME AND RECONCILIATION REPORT - CAPITAL EXPENDITURES  
OF THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

Agency No.	Description	Notes	Approved Allotment (Allotment 1) 2015 \$'000	Actual Expenditure 2015 \$'000	Over (Under) Approved Allotment 2015 \$'000	Actual Expenditure 2014 \$'000
01	<b>Office of the President</b>	4				
	1 Administrative Services		588,414	588,399	(15)	1,257,007
	2 Presidential Advisory		0	0	0	0
	3 Defence and National Security		0	0	0	0
	4 Public Policy and Planning		0	0	0	0
02	<b>Office of the Prime Minister</b>					
	1 Prime Minister's Secretariat		107,079	102,412	(4,667)	4,112,880
03	<b>Ministry of Finance</b>					
	1 Policy and Administration		3,954,895	3,827,464	(127,431)	4,723,775
	2 Public Financial Management		18,000	16,229	(1,771)	16,102
04	<b>Ministry of Foreign Affairs</b>					
	1 Development of Foreign Policy		17,000	15,106	(1,894)	15,003
	2 Foreign Policy Promotions		68,150	59,137	(9,013)	62,604
	3 Development of Foreign Trade Policy		984	984	0	600
05	<b>Ministry of Presidency</b>	4				
	1 Policy Development and Administration		2,310,243	2,245,203	(65,040)	0
	2 Defence and National Security		70,000	58,975	(11,025)	0
	3 Public Service Management		21,000	12,583	(8,417)	0
	4 Natural Resource Management		67,500	38,431	(29,069)	0
	5 Citizenship and Immigration Services		20,700	38,778	18,078	0
07	<b>Parliament Office</b>	5				
	1 National Assembly		0	0	0	66,695
	2 Parliament Office		0	0	0	0
09	<b>Public and Police Service Commission</b>	5				
	1 Public and Police Service Commission		0	0	0	2,500
10	<b>Teaching Service Commission</b>	5				
	1 Teaching Service Commission		0	0	0	2,294
11	<b>Elections Commission</b>	5				
	1 Elections Commission		235,809	235,809	0	124,501
	2 Elections Administration		0	0	0	0
13	<b>Ministry of Local Government &amp; Regional Development</b>	4				
	1 Main Office		0	0	0	0
	2 Ministry Administration		0	0	0	12,100
	3 Regional Development		0	0	0	2,087,037
14	<b>Public Service Ministry</b>	4				
	1 Public Service Management		0	0	0	11,181
15	<b>Ministry of Foreign Trade and Intl</b>					
	1 Foreign Trade and Intl Coop		0	0	0	0
16	<b>Ministry of Amerindian Affairs</b>	4				
	1 Amerindian Development		0	0	0	1,142,082
	C/F		7,479,774	7,239,510	(240,264)	13,636,361

Agency No.	Description	Notes	Approved	Actual	Over (Under)	Actual
			Allotment (Allotment 1) 2015	Expenditure 2015	Approved Allotment 2015	Expenditure 2014
			\$'000	\$'000	\$'000	\$'000
	B/F		7,479,774	7,239,510	(240,264)	13,636,361
17	<b>Ministry of Indigenous People's Affairs</b>	4				
	1 Policy Development and Administration		315,900	299,086	(16,814)	0
21	<b>Ministry of Agriculture</b>					
	1 Ministry Administration		2,670,133	2,479,536	(190,597)	2,782,324
	2 Crops and Livestock Support Services		1,645,418	1,478,270	(167,148)	1,837,232
	3 Fisheries		2,000	2,000	0	14,679
	4 Hydrometeorological Services		24,000	23,105	(895)	27,912
22	<b>Ministry of Tourism</b>	4				
	1 Policy Development and Administration		7,800	7,798	(2)	0
	2 Tourism Development		2,000	1,982	(18)	0
	3 Consumer Protection		5,600	5,600	0	0
23	<b>Ministry of Tourism, Commerce and Industry</b>	4				
	1 Main Office		0	0	0	41,554
	2 Ministry Administration		0	0	0	13,179
	3 Commerce, Industry & Consumer Affairs		235,064	235,064	0	616,743
24	<b>Ministry of Natural Resources &amp; The Environment</b>	4				
	1 Ministry Administration		0	0	0	1,450
	2 Natural Resource Management		0	0	0	25,000
	3 Environmental Management		0	0	0	38,266
25	<b>Ministry of Business</b>	4				
	1 Policy Development and Administration		8,050	5,479	(2,571)	0
	2 Business Development, Support and Promotion		361,320	233,065	(128,255)	0
31	<b>Ministry of Public Works</b>	4				
	1 Ministry Administration		0	0	0	26,394
	2 Public Works		3,391,201	3,368,935	(22,266)	11,800,101
	3 Transport		74,498	74,498	0	1,541,872
32	<b>Ministry of Public Infrastructure</b>	4				
	1 Policy Development and Administration		1,221,981	296,773	(925,208)	0
	2 Public Works		8,332,982	4,380,313	(3,952,669)	0
	3 Transport		288,327	243,246	(45,081)	0
40	<b>Ministry of Education</b>	4				
	1 Policy Development and Administration		17,000	10,514	(6,486)	0
	2 Training and Development		256,120	204,052	(52,068)	0
	3 Nursery Education		102,000	21,601	(80,399)	0
	4 Primary Education		97,974	65,303	(32,671)	0
	5 Secondary Education		412,694	243,530	(169,164)	0
	6 Post Secondary/Tertiary Education		689,537	651,794	(37,743)	0
	7 Cultural Preservation and Conservation		22,800	19,623	(3,177)	0
	8 Youth		50,235	50,040	(195)	0
41	<b>Ministry of Education</b>	4				
	1 Main Office		0	0	0	12,891
	2 National Education Policy-Implementation Sup.		0	0	0	22,171
	3 Ministry Administration		0	0	0	35,012
	4 Training and Development		2,484	2,484	0	37,205
	5 Education Delivery		579,791	579,754	(37)	1,844,747
	C/F		28,296,683	22,222,955	(6,073,728)	34,355,091

Agency No.	Description	Notes	Approved	Actual	Over (Under)	Actual
			Allotment (Allotment 1) 2015	Expenditure 2015	Approved Allotment 2015	Expenditure 2014
			\$'000	\$'000	\$'000	\$'000
	B/F		28,296,683	22,222,955	(6,073,728)	34,355,091
42	<b>Ministry of Communities</b>	4				
	1 Sustainable Communities Management		630,557	540,899	(89,658)	0
	2 Sustainable Communities Development		3,653,924	2,224,411	(1,429,513)	0
43	<b>Ministry of Public Health</b>	4				
	1 Policy Development and Administration		19,858	15,245	(4,613)	0
	2 Disease Control		82,450	74,454	(7,996)	0
	3 Family Health Care Services		15,600	13,530	(2,070)	0
	4 Regional & Clinical Services		470,314	377,657	(92,657)	0
	5 Health Sciences Education		32,902	11,195	(21,707)	0
	6 Standards & Technical Services		21,500	18,050	(3,450)	0
	7 Disability and Rehabilitation Services		6,280	6,000	(280)	0
44	<b>Ministry of Culture, Youth and Sports</b>	4				
	1 Ministry Administration		0	0	0	10,108
	2 Culture		0	0	0	87,668
	3 Youth		16,732	16,732	0	70,763
	4 Sports		77,730	77,727	(3)	725,000
45	<b>Ministry of Housing and Water</b>	4				
	1 Housing & Water		2,059,371	2,058,091	(1,280)	8,375,434
46	<b>Georgetown Public Hospital Corporation</b>	4				
	1 Public Hospital		59,312	59,312	0	413,491
47	<b>Ministry of Health</b>	4				
	1 Ministry Administration		0	0	0	79,825
	2 Diseases Control		0	0	0	17,284
	3 Primary Health Care Services		0	0	0	9,912
	4 Regional & Clinical Services		74,809	74,809	0	827,193
	5 Health Sciences Education		5,502	5,501	(1)	15,969
	6 Standards & Technical Services		0	0	0	13,212
	7 Rehabilitation Services		0	0	0	576
48	<b>Ministry of Labour, Human Service &amp; Social Security</b>	4				
	1 Strategic Planning, Administration & Human Services		0	0	0	62,170
	2 Social Services		0	0	0	33,572
	3 Labour Administration		702	702	0	38,444
	4 Child Care & Protection		0	0	0	16,711
49	<b>Ministry of Social Protection</b>	4				
	1 Policy Development and Administration		9,000	8,980	(20)	0
	2 Social Services		18,200	12,756	(5,444)	0
	3 Labour Administration		17,300	11,243	(6,057)	0
	4 Child Care and Protection		31,300	23,258	(8,042)	0
51	<b>Ministry of Home Affairs</b>	4				
	1 Secretariat Services		0	0	0	817,354
	2 Guyana Police Force		55,821	55,814	(7)	689,400
	3 Guyana Prison Services		0	0	0	291,419
	4 Police Complaints Authority		0	0	0	930
	5 Guyana Fire Service		931	931	0	406,292
	6 General Register Office		0	0	0	5,998
	7 Customs Anti Narcotics Unit		0	0	0	6,539
	C/F		35,656,778	27,910,252	(7,746,526)	47,370,355

Agency No.	Description	Notes	Approved	Actual	Over (Under)	Actual
			Allotment (Allotment 1) 2015	Expenditure 2015	Approved Allotment 2015	Expenditure 2014
			\$'000	\$'000	\$'000	\$'000
	B/F		35,656,778	27,910,252	(7,746,526)	47,370,355
52	<b>Ministry of Legal Affairs</b>					
	1 Main Office		0	0	0	2,004
	2 Ministry Administration		20,100	20,100	0	8,200
	3 Attorney General's Chambers		0	0	0	0
	4 State Solicitor		434	434	0	487
	5 Deeds Registry		0	0	0	0
53	<b>Guyana Defense Force</b>					
	1 Defence & Security Support		536,400	536,298	(102)	653,356
54	<b>Ministry of Public Security</b>	4				
	1 Policy and Development and Administration		60,440	31,538	(28,902)	0
	2 Police Force		391,320	268,905	(122,415)	0
	3 Prison Service		101,003	87,682	(13,321)	0
	4 Police Complaints Authority		1,200	1,190	(10)	0
	5 Fire Service		132,064	94,174	(37,890)	0
55	<b>Supreme Court of Judicature</b>	5				
	1 Supreme Courts of Judicature		12,129	12,128	(1)	43,297
	2 Magistracy		19,924	19,920	(4)	61,962
56	<b>Public Prosecutions</b>	5				
	1 Public Prosecutions		0	0	0	4,984
57	<b>Office of the Ombudsman</b>	5				
	1 Ombudsman		0	0	0	0
58	<b>Public Service Appellate Tribunal</b>	5				
	1 Public Service Appellate Tribunal		0	0	0	3,322
59	<b>Ethnic Relations Commission</b>	5				
	1 Ethnic Relations Commission		0	0	0	0
60	<b>Judicial Service Commission</b>	5				
	1 Judicial Service Commission		0	0	0	0
61	<b>Rights Commission of Guyana</b>	5				
	1 Rights Commission of Guyana		0	0	0	0
62	<b>Public Procurement Commission</b>	5				
	1 Public Procurement Commission		0	0	0	0
71	<b>Region 1 - Barima/Waini</b>					
	1 Regional Administration & Finance		3,300	3,298	(2)	31,991
	2 Public Works		30,861	7,417	(23,444)	120,888
	3 Education Delivery		71,850	55,179	(16,671)	58,335
	4 Health Services		80,086	53,296	(26,790)	53,776
72	<b>Region 2 - Pomeroon/Supenaam</b>					
	1 Regional Administration & Finance		1,000	999	(1)	6,097
	2 Agriculture		72,540	58,010	(14,530)	152,999
	3 Public Works		62,670	53,081	(9,589)	94,187
	4 Education Delivery		75,140	61,721	(13,419)	65,498
	5 Health Services		69,990	41,865	(28,125)	84,603
	C/F		37,399,229	29,317,487	(8,081,742)	48,816,340

Agency No.	Description	Notes	Approved Allotment (Allotment 1) 2015	Actual Expenditure 2015	Over (Under) Approved Allotment 2015	Actual Expenditure 2014
			\$'000	\$'000	\$'000	\$'000
	B/F		37,399,229	29,317,487	(8,081,742)	48,816,340
73	<b>Region 3 - Essequibo Islands/West Demerara</b>					
	1 Regional Administration & Finance		3,500	3,497	(3)	8,100
	2 Agriculture		30,110	30,110	0	59,300
	3 Public Works		45,405	45,405	0	101,486
	4 Education Delivery		57,860	57,853	(7)	75,604
	5 Health Services		65,900	65,900	0	82,210
74	<b>Region 4 - Demerara/Mahaica</b>					
	1 Regional Administration & Finance		19,000	11,698	(7,302)	8,802
	2 Agriculture		9,293	8,291	(1,002)	38,448
	3 Public Works		48,150	43,600	(4,550)	63,478
	4 Education Delivery		130,200	47,320	(82,880)	74,121
	5 Health Services		30,744	16,566	(14,178)	43,684
75	<b>Region 5 - Mahaica/Berbice</b>					
	1 Regional Administration & Finance		12,850	12,781	(69)	8,316
	2 Agriculture		40,000	40,000	0	91,500
	3 Public Works		75,210	68,971	(6,239)	90,944
	4 Education Delivery		55,195	55,153	(42)	68,104
	5 Health Services		51,336	38,116	(13,220)	59,678
76	<b>Region 6 - East Berbice/Corentyne</b>					
	1 Regional Administration & Finance		7,300	7,258	(42)	12,892
	2 Agriculture		55,685	55,685	0	135,500
	3 Public Works		69,960	67,974	(1,986)	122,700
	4 Education Delivery		38,275	38,255	(20)	64,928
	5 Health Services		89,400	65,366	(24,034)	89,335
77	<b>Region 7 - Cuyuni/Mazaruni</b>					
	1 Regional Administration & Finance		13,300	13,298	(2)	4,000
	2 Public Works		28,410	26,056	(2,354)	34,100
	3 Education Delivery		50,744	47,134	(3,610)	57,760
	4 Health Services		45,630	45,574	(56)	54,984
78	<b>Region 8 - Potaro/Siparuni</b>					
	1 Regional Administration & Finance		14,365	14,001	(364)	10,985
	2 Public Works		53,475	25,356	(28,119)	48,216
	3 Education Delivery		44,425	29,268	(15,157)	64,309
	4 Health Services		42,454	39,148	(3,306)	42,291
79	<b>Region 9 - Upper Takatu/Upper Essequibo</b>					
	1 Regional Administration & Finance		21,500	20,277	(1,223)	9,944
	2 Agriculture		11,295	10,136	(1,159)	18,450
	3 Public Works		76,964	76,829	(135)	161,513
	4 Education Delivery		40,100	39,884	(216)	77,211
	5 Health Services		31,100	30,315	(785)	38,999
80	<b>Region 10 - Upper Demerara/Upper Berbice</b>					
	1 Regional Administration & Finance		28,500	21,498	(7,002)	7,500
	2 Public Works		96,257	62,322	(33,935)	139,885
	3 Education Delivery		69,600	38,213	(31,387)	67,161
	4 Health Services		45,900	28,291	(17,609)	60,842
	<b>TOTAL PAYMENTS</b>		<b>39,048,621</b>	<b>30,664,886</b>	<b>-8,383,735</b>	<b>51,013,620</b>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

End of Year Budget Outcome and Reconciliation Report-Expenditure of the Government of  
Guyana for the Fiscal Year Ended December 31 2015

Current Expenditure

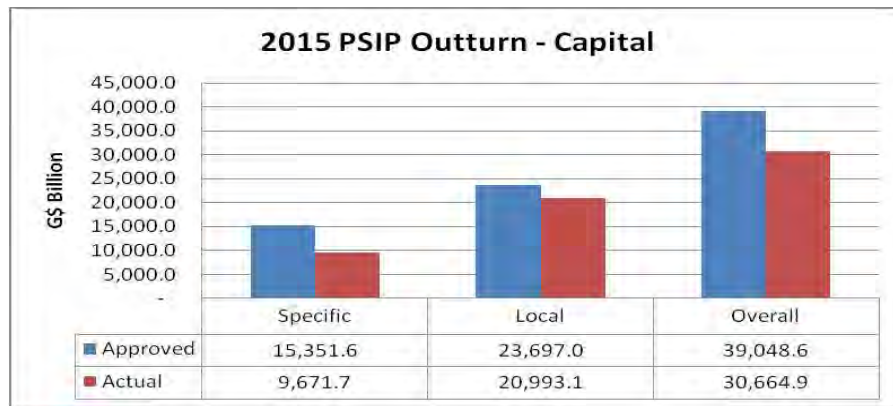
1. Central Government current expenditure was under the 2015 Budget allocation by \$25.785 billion. This outturn was mainly attributed to \$2.071 billion under GECOM for the hosting of Regional Elections, \$20.292 billion for Public Debt, \$1.267 billion under Ministry of Finance, \$280.101M under Ministry of the Presidency and \$658.406M under the Ministry of Health being unspent.
  
2. These amounts were partially offset mainly by the following:
  - Contingency Fund Advance Warrant of \$410M to purchase Military Kit and equipment, rental of air, sea and land transportation, dietary supplies, repairs and maintenance of vehicles, security lighting and medical service for ranks of the Guyana Defense Force.
  
  - Contingency Fund Advance Warrant of \$102M for payment to the Caribbean Premier League by the Ministry of Tourism.
  
  - Contingency Fund Advance Warrant of \$81.500M for emergency purchases of pesticides for the coconut industries, emergency works due to countrywide flooding and security services for the Ministry of Agriculture.
  
  - Contingency Fund Advance Warrant of \$79.200M to purchase of materials for installation of 6000 solar system by the Hinterland Electrification Inc, support and maintenance of the Border management system, furniture, vehicle and rehabilitation of female barrack room in the state house compound for the Ministry of the Presidency.
  
  - Contingency Fund Advance Warrant of \$77.300M to clear increase in salaries and one-off tax-free payments for the Ministry of Education.



## Capital Expenditure

Figures are in G\$ '000

Details	Approved	Actual	Variance	% Actual / Approved Allotment
<b>Specific</b>	<b>15,351.646</b>	<b>9,671.739</b>	<b>(5,679.907)</b>	<b>63.0%</b>
Loans	10,407.696	5,861.456	(4,546.240)	56.3%
Grants	4,943.950	3,810.283	(1,133.667)	77.1%
<b>Local</b>	<b>23,696.975</b>	<b>20,993.143</b>	<b>(2,703.832)</b>	<b>88.6%</b>
<b>Total</b>	<b>39,048.621</b>	<b>30,664.882</b>	<b>(8,383.739)</b>	<b>78.5%</b>



Central government capital expenditure was 79% of approved allotment of \$39.048 billion. This performance was mixed with sub-par performance, 63% execution rate, on our donor support portfolio of projects as a result of delays in key infrastructure project and strong performance of the domestically financed investment programme with an execution rate of 88% aided by strict monitoring.

Generally these shortfalls are attributed to the following reasons:

- On the donor financed PSIP:

Agency	Projects	Approved	Actual	Variance	Reasons
		G\$ Million			
<b>LOAN</b>		<b>(4,139.451)</b>			
21-MoA	Access Dams	790.000	626.775	(163.225)	Savings on contracts.
32-MoPI	Sea Defenses	140.700	-	(140.700)	Delays in fulfilling conditions precedent to 1st disbursement-fulfilled in Nov but no physical works commenced.
	Electrification Program	608.900	56.050	(552.850)	Delays in award of low voltage network infrastructure contract; initially scheduled for Dec.
	Road Network & Expansion Project	1,685.000	18.982	(1,666.018)	Delays due to award & retendering of Sheriff/Mandella Road contract.
	Highway Improvement - EBD	725.000	326.222	(398.778)	Delays due to termination and reaward of section of the EBD corridor.
	Highway Improvement - ECD	975.000	-	(975.000)	Delays in financing for project.
42-MoC	Water Supply & Infrastructure Program	475.500	69.395	(406.105)	Non-award of 3 water treatment plants.
<b>GRANT</b>		<b>(961.809)</b>			
21-MoA	East Demerara Water Conservancy	230.000	131.487	(98.513)	Slow progress by contractor.
32-MoPI	Electrification Program	475.000	161.899	(313.101)	Delays in award of low voltage network infrastructure contract; initially scheduled for Dec.
	Sustainable Energy Programme	40.000	4.928	(35.072)	Delays in hiring consultancy to determine alternative energy options (wind); as well as delays in identification of alternative schools since targeted schools had solar panels installed.
	Guy-Brazil Land Transport Link & Deep Water Port	50.000	4.358	(45.642)	Slow implementation.
40-MoE	Early Childhood Education Project	72.000	9.624	(62.376)	Late award in award of contract or learning materials.
42-MoC	Water Supply & Infrastructure Program	476.500	69.395	(407.105)	Non-award of 3 water treatment plants.

On the locally financed PSIP:

- Late award of contracts due to delays by agencies & NPTAB.
- Slow implementation
- Delays due to redesign / review of programmes.

Agency	Project Title	Approved	Actual	Variance	Reasons
		G\$ Million			
<b>LOCAL</b>		<b>(1,375.809)</b>			
03-MoF	Guyana Revenue Authority	390.000	329.985	(60.015)	Delays in implementation of TRIPS upgrade.
21-MoA	Drainage & Irrigation - Hope	231.039	151.371	(79.668)	Delays in completion of sluice & ancillary works.
25-MoB	Industrial Development	108.330	18.225	(90.105)	Delays in commencement of Lethem Industrial development works due to review.
	Rural Enterprise Development	134.876	96.726	(38.150)	Projects delayed due to independent review.
32-MoPI	Highway Improvement - ECD	162.750	30.270	(132.480)	Poor contractor performance.
	Amaila Access	220.344	81.161	(139.183)	Slow implementation; over ambitious budget.
	Hinterland Roads	640.935	397.288	(243.647)	Delay due to slow procurement.
40-MoE	Secondary Schools	223.758	105.984	(117.774)	Delays in completion of Kato project.
	School Furniture & Eqt-Sec	134.500	92.158	(42.342)	Delays in finalisation of power supply (solar panels/generator) Kato School
42-MoC	Solid Waste	247.922	159.702	(88.220)	Slow implementation on several components; operation modality to be finalised.
	Coastal Water Supply	422.000	250.506	(171.494)	Tender delays; Late award of projects.
	Urban Sewerage & Water	236.867	102.656	(134.211)	
	Hinterland Water Supply	130.000	91.480	(38.520)	
54-MoPS	Land & Water Transport - Police	193.700	127.664	(66.036)	Late award - only advances paid in 2015.
71-80	All Regions	2,116.829	1,682.265	(434.564)	Late award due to delays in fully constituting tender boards.

### Economic Assumption used in Budget proposal preparation

Production and Prices as at 31 December 2015	2015 Budget %	2015 Actual %
Growth Rate of Real GDP	3.4	3.0
Rate of inflation/(deflation)	2.5	(1.8)

The National Budget for 2015 projected a growth of 3.4 percent based on uncertainties prevailing in the global economy and its immediate and direct effect on both the import and export sectors of the domestic economy. This target appeared under threat at mid-year, when real economic growth was recorded at a paltry 0.7 percent. However, the growth rate during the second half of the year rise to 3.0 percent due to accelerated activities in the rice, sugar, gold and construction sectors, as well as renewed optimism and confidence by the business community.

The inflation rate of 2015 was projected at 2.5 percent with the expectation that prices on fuel and domestic production of food remains fairly stable to the end of the year, despite the low level of gold price. However, the economy recorded a deflation of 1.8 percent at the end of 2015 that is a reduction in the general level of prices, as a result of low level of prices of fuel and a range of consumer items and the removal of the Value Added Tax (VAT).

The deficit of the Central Government of 2015 was projected to be 2.9 percent of GDP totalling \$20.100 billion. The deficit of the Central Government at the end of 2015 was 1.4 percent of GDP totalling \$9.300 billion mainly due to lower capital expenditure.

**STATEMENT OF RECEIPTS AND PAYMENTS  
OF THE CONSOLIDATED FUND (CURRENT) FOR THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

**RECEIPTS**

Reporting Object Group	Description	Approved Estimates 2015	Actual Receipts Paid into Consolidated Fund 2015	Variance 2015	Actual Receipts Paid into Consolidated Fund 2014
		\$'000	\$'000	\$'000	\$'000
500	Customs and Trade Taxes	13,326,261	13,156,236	(170,025)	13,454,797
510	Internal Revenue	60,404,787	61,044,186	639,399	56,866,062
520	Stamp Duties	519,573	446,088	(73,485)	618,392
525	Other Tax Revenues	0	0	0	0
530	Fees and Fines	1,175,059	1,210,984	35,925	1,109,544
540	Interest	2,179	2,041	(138)	2,399
545	Rents and Royalties	12,092	8,866	(3,226)	11,694
555	Dividends and Transfers	14,046,034	12,391,796	(1,654,238)	5,291,516
560	Miscellaneous Receipts	4,644,187	5,965,380	1,321,193	2,949,980
590	Value Added Taxes	39,438,044	35,373,655	(4,064,389)	37,307,010
594	Excise Tax	30,083,414	33,330,463	3,247,049	28,234,080
597	Miscellaneous	122,128	102,709	(19,419)	168,398
<b>SUB TOTAL</b>		<b>163,773,758</b>	<b>163,032,404</b>	<b>(741,354)</b>	<b>146,013,873</b>
<b><u>OTHER RECEIPTS</u></b>					
	Treasury Bills		85,396,970		98,844,793
<b>TOTAL RECEIPTS</b>			<b>248,429,374</b>		<b>244,858,666</b>

**PAYMENTS**

Agency No.	Description	Revised Allotment 2015	Outstanding Contingency Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>MINISTRIES DEPARTMENT/REGIONS</u></b>							
01	Office of the President						
1	Administrative Services	861,280	0	861,280	861,280	860,961	1,283,050
2	Presidential Advisory	548,372	0	548,372	548,371	547,102	808,984
3	Defense and National Security	34,744	0	34,744	34,744	34,442	64,612
4	Public Policy and Planning	0	0	0	0	0	0
02	Office of the Prime Minister						
1	Prime Minister's Secretariat	267,980	11,000	278,980	278,860	267,793	273,520
03	Ministry of Finance						
1	Policy and Administration	13,414,214	0	13,414,214	13,409,143	12,732,155	17,702,816
2	Public Financial Management	4,303,621	0	4,303,621	4,286,682	3,718,994	4,175,485
	C/F	19,430,211	11,000	19,441,211	19,419,080	18,161,447	24,308,467

Agency No.	Description	Revised Allotment 2015	Outstanding Contingency Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	19,430,211	11,000	19,441,211	19,419,080	18,161,447	<b>24,308,467</b>
04	Ministry of Foreign Affairs						
	1 Development of Foreign Policy	1,263,869	0	1,263,869	1,263,834	1,075,191	<b>980,425</b>
	2 Foreign Policy Promotion	2,611,628	0	2,611,628	2,436,684	2,329,627	<b>2,348,940</b>
	3 Development of Foreign Trade Policy	39,816	0	39,816	38,432	36,882	<b>39,450</b>
05	Ministry of Presidency						
	1 Policy Development and Administration	695,186	0	695,186	695,186	649,763	<b>0</b>
	2 Defence and National Security	72,211	0	72,211	72,211	42,350	<b>0</b>
	3 Public Service Management	350,746	0	350,746	292,627	278,834	<b>0</b>
	4 Natural Resource Management	354,187	0	354,187	354,186	347,590	<b>0</b>
	5 Citizenship and Immigration Services	241,463	0	241,463	241,453	115,155	<b>0</b>
07	Parliament Office						
	1 National Assembly	810,361	0	810,361	798,528	742,961	<b>942,679</b>
08	Audit Office of Guyana						
	1 Audit Office of Guyana	649,308	0	649,308	644,421	643,527	<b>0</b>
09	Public Police Service Commission						
	1 Public Police Service Commission	61,647	0	61,647	61,154	60,647	<b>50,196</b>
10	Teaching Service Commission						
	1 Teaching Service Commission	87,421	0	87,421	80,113	76,008	<b>70,416</b>
11	Elections Commission						
	1 Elections Commission	3,307,856	0	3,307,856	2,532,388	1,480,220	<b>1,578,612</b>
	2 Elections Administration	2,346,704	0	2,346,704	2,346,704	2,103,288	<b>0</b>
13	Ministry of Local Government & Regional Development						
	1 Main Office	73,932	0	73,932	73,932	73,782	<b>103,836</b>
	2 Ministry Administration	33,096	0	33,096	33,095	33,093	<b>49,676</b>
	3 Regional Development	120,803	0	120,803	120,802	120,780	<b>177,300</b>
14	Public Service Ministry						
	1 Public Service Management	715,043	0	715,043	715,043	670,899	<b>1,032,756</b>
16	Ministry of Amerindian Affairs						
	1 Amerindian Development	359,368	0	359,368	359,050	351,279	<b>434,661</b>
17	Ministry of Indigenous People's Affairs						
	1 Policy Development and Administration	302,196	0	302,196	302,196	275,962	<b>0</b>
21	Ministry of Agriculture						
	1 Ministry Administration	15,956,100	81,573	16,037,673	16,037,650	16,036,334	<b>10,238,673</b>
	2 Crops and Livestock Support Service	0	0	0	0	0	<b>0</b>
	3 Fisheries Division	127,376	0	127,376	126,686	126,346	<b>123,245</b>
	4 Hydrometeorological Services	469,547	0	469,547	469,543	467,328	<b>431,517</b>
22	Ministry of Tourism						
	1 Policy Development and Administration	60,244	0	60,244	59,840	59,062	<b>0</b>
	2 Tourism Development	72,093	102,000	174,093	174,093	174,093	<b>0</b>
	3 Consumer Protection	32,154	0	32,154	32,014	31,216	<b>0</b>
23	Ministry of Tourism, Commerce and Industry						
	1 Main Office	340,552	0	340,552	339,595	336,841	<b>499,475</b>
	2 Ministry Administration	39,508	0	39,508	39,494	39,158	<b>66,624</b>
	C/F	<b>51,024,626</b>	<b>194,573</b>	<b>51,219,199</b>	<b>50,160,034</b>	<b>46,939,663</b>	<b>43,476,948</b>

Agency No.	Description	Outstanding Contingency		Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	51,024,626	194,573	51,219,199	50,160,034	46,939,663	43,476,948
3	Commerce, Industry & Consumer Affairs	70,689	0	70,689	70,456	66,721	104,449
24	Ministry of Natural Resources & The Environment						
1	Ministry Administration	135,147	0	135,147	131,470	131,228	117,256
2	Natural Resource Management	78,376	0	78,376	78,376	78,376	119,490
3	Environmental Management	267,983	0	267,983	267,983	267,983	423,091
25	Ministry of Business						
1	Policy Development and Administration	78,473	0	78,473	75,912	71,370	0
2	Business Development, Support & Promotion	134,651	0	134,651	134,562	133,539	0
31	Ministry of Public Works & Communications						
1	Ministry Administration	426,681	0	426,681	426,673	426,535	618,450
2	Public Works	1,315,351	0	1,315,351	1,315,351	1,313,936	1,811,930
3	Transport	19,168	0	19,168	19,168	19,018	66,613
32	Ministry of Public Infrastructure						
1	Policy Development and Administration	1,507,265	0	1,507,265	1,507,258	1,496,438	0
2	Public Works	1,121,623	0	1,121,623	1,121,617	1,119,577	0
3	Transport	48,466	0	48,466	48,466	48,348	0
40	Ministry Of Education						
1	Policy Development and Administration	603,761	0	603,761	599,961	487,180	0
2	Training and Development	815,561	0	815,561	815,561	749,807	0
3	Nursery Education	789,274	0	789,274	789,274	776,325	0
4	Primary Education	1,252,538	0	1,252,538	1,252,538	1,236,429	0
5	Secondary Education	1,349,988	0	1,349,988	1,349,988	1,318,249	0
6	Post Secondary/Tertiary Education	1,141,559	77,304	1,218,863	1,218,863	1,198,249	0
7	Cultural Preservation and Conservation	210,191	0	210,191	210,191	205,966	0
8	Youth	63,408	0	63,408	63,308	58,042	0
41	Ministry of Education						
1	Main Office	371,066	0	371,066	371,066	370,145	445,254
2	National Education Policy-Implement	151,405	0	151,405	151,404	150,220	225,072
3	Ministry Administration	999,724	0	999,724	999,723	993,122	2,403,968
4	Training and Development	694,000	0	694,000	694,000	692,170	1,059,260
5	Education Delivery	3,826,113	0	3,826,113	3,826,111	3,822,683	7,435,131
42	Ministry of Communities						
1	Sustainable Communities Management	164,887	0	164,887	164,113	155,588	0
2	Sustainable Communities Development	215,736	0	215,736	215,736	213,991	0
43	Ministry of Public Health						
1	Policy Development and Administration	346,214	0	346,214	346,214	281,616	0
2	Disease Control	863,790	0	863,790	863,148	491,275	0
3	Family Health Care Services	222,531	0	222,531	221,881	171,761	0
4	Regional & Clinical Services	3,388,412	0	3,388,412	3,388,412	3,316,582	0
5	Health Science Education	202,364	0	202,364	202,345	132,979	0
6	Standards and Technical Services	231,600	0	231,600	231,548	215,059	0
7	Disability and Rehabilitation Services	83,777	0	83,777	83,777	71,010	0
44	Ministry of Culture, Youth and Sports						
1	Ministry Administration	118,792	0	118,792	115,721	115,710	188,600
2	Culture	338,481	0	338,481	337,824	337,547	569,876
3	Youth	342,785	0	342,785	341,574	338,744	519,786
4	Sports	182,951	0	182,951	182,060	182,051	265,318
	C/F	75,199,407	271,877	75,471,284	74,393,667	70,195,232	59,850,493

Agency No.	Description	Outstanding Contingency		Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	75,199,407	271,877	75,471,284	74,393,667	70,195,232	59,850,493
45	Ministry of Housing and Water						
1	Housing & Water	263,257	0	263,257	263,257	263,251	513,184
46	Georgetown Public Hospital Corporation						
1	Public Hospital	3,951,460	0	3,951,460	3,951,460	3,951,460	5,289,270
47	Ministry of Health						
1	Ministry Administration	675,677	0	675,677	675,677	673,804	842,812
2	Diseases Control	337,077	0	337,077	337,077	336,667	984,544
3	Primary Health Care Services	542,991	0	542,991	542,991	541,045	614,506
4	Regional & Clinical Services	4,049,215	0	4,049,215	4,049,215	4,047,919	5,136,773
5	Health Sciences Education	312,228	0	312,228	312,228	310,477	468,070
6	Standards & Technical Services	408,505	0	408,505	408,505	404,407	511,603
7	Rehabilitation Services	206,533	0	206,533	206,533	202,350	255,717
48	Ministry of Labour, Human Service & Social Security						
1	Strategic Planning, Admin and Human Services	119,302	0	119,302	119,302	117,811	207,042
2	Social Services	5,394,934	0	5,394,934	5,394,934	5,354,893	8,569,649
3	Labour Administration	205,482	0	205,482	205,482	200,663	379,111
4	Child Care and Protection	253,080	0	253,080	253,080	242,224	352,171
49	Ministry Of Social Protection						
1	Policy Development and Administration	97,269	0	97,269	96,519	93,980	0
2	Social Services	3,458,104	0	3,458,104	3,458,104	3,455,610	0
3	Labour Administration	222,075	0	222,075	221,075	214,971	0
4	Child Care Protection	174,699	0	174,699	174,699	171,530	0
51	Ministry of Home Affairs						
1	Secretariat Services	412,531	0	412,531	412,531	412,528	521,036
2	Guyana Police Force	5,494,681	0	5,494,681	5,494,681	5,494,680	6,809,750
3	Guyana Prison Service	888,373	0	888,373	888,373	888,372	1,180,535
4	Police Complaints Authority	7,585	0	7,585	7,585	7,583	9,823
5	Guyana Fire Service	539,775	0	539,775	539,775	539,775	672,825
6	General Register Office	101,238	0	101,238	101,238	99,554	174,342
7	Customs Anti Narcotics Unit	66,225	0	66,225	65,806	65,806	66,444
52	Ministry of Legal Affairs						
1	Main Office	28,657	0	28,657	28,648	28,634	20,981
2	Ministry Administration	45,228	0	45,228	44,651	44,637	49,144
3	Attorney General's Chambers	816,989	0	816,989	815,172	814,976	150,247
4	State Solicitor	25,892	0	25,892	25,891	25,820	26,797
5	Deeds Registry	0	0	0	0	0	28,145
53	Guyana Defense Force						
1	Defence and Security Support	8,609,057	410,000	9,019,057	9,019,057	9,017,177	7,391,511
54	Ministry of Public Security						
1	Policy Development and Administration	236,827	0	236,827	236,827	190,147	0
2	Police Force	2,584,743	0	2,584,743	2,584,743	2,539,166	0
3	Prison Service	415,111	13,600	428,711	428,711	428,024	0
4	Police Complaints Authority	8,143	0	8,143	8,056	7,138	0
5	Fire Service	345,842	0	345,842	345,842	332,980	0
6	Customs Anti Narcotics Unit	100,074	0	100,074	72,139	60,984	0
	C/F	116,598,266	695,477	117,293,743	116,183,531	111,776,275	101,076,524



Agency No.	Description	Revised Allotment 2015	Outstanding Contingency Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	116,598,266	695,477	117,293,743	116,183,531	111,776,275	<b>101,076,524</b>
55	Supreme Court of Judicature						
	1 Supreme Courts of Judicature	1,413,645	0	1,413,645	1,413,645	1,312,779	<b>964,284</b>
	2 Magistracy	0	0	0	0	0	<b>117,021</b>
56	Public Prosecutions						
	1 Public Prosecutions	117,444	0	117,444	117,435	115,435	<b>87,819</b>
57	Office of the Ombudsman						
	1 Ombudsman	28,299	0	28,299	27,755	17,667	<b>18,432</b>
58	Public Service Appellate Tribunal						
	1 Public Service Appellate Tribunal	15,470	0	15,470	1,748	1,202	<b>2,287</b>
59	Ethnic Relations Commission						
	1 Ethnic Relations Commission	27,596	0	27,596	27,596	27,596	<b>0</b>
60	Judicial Service Commission						
	1 Judicial Service Commission	2,340	0	2,340	2,340	2,340	<b>0</b>
61	Rights Commission of Guyana						
	1 Rights Commission of Guyana	35,670	0	35,670	35,670	31,484	<b>0</b>
62	Public Procurement Commission						
	1 Public Procurement Commission	1	0	1	0	0	<b>0</b>
71	Region 1 - Barima/Waini						
	1 Regional Administration & Finance	155,600	0	155,600	155,600	153,373	<b>116,516</b>
	2 Public Works	219,798	0	219,798	219,508	215,719	<b>188,792</b>
	3 Education Delivery	946,938	0	946,938	946,938	925,679	<b>838,628</b>
	4 Health Services	469,901	0	469,901	469,897	454,690	<b>348,222</b>
72	Region 2 - Pomeroon/Supenaam						
	1 Regional Administration & Finance	160,995	0	160,995	160,995	160,319	<b>145,865</b>
	2 Agriculture	249,442	11,000	260,442	260,442	257,928	<b>236,887</b>
	3 Public Works	94,090	0	94,090	94,090	91,537	<b>88,290</b>
	4 Education Delivery	1,469,257	0	1,469,257	1,469,257	1,463,689	<b>1,351,064</b>
	5 Health Services	598,315	0	598,315	598,315	596,253	<b>468,303</b>
73	Region 3 - Essequibo Islands/West Demerara						
	1 Regional Administration & Finance	166,215	3,051	169,266	169,266	169,240	<b>153,090</b>
	2 Agriculture	244,082	0	244,082	244,082	243,877	<b>235,811</b>
	3 Public Works	78,857	0	78,857	78,817	78,813	<b>81,085</b>
	4 Education Delivery	2,013,088	0	2,013,088	2,013,088	2,012,762	<b>1,810,029</b>
	5 Health Services	899,026	4,500	903,526	903,526	903,400	<b>681,739</b>
74	Region 4 - Demerara/Mahaica						
	1 Regional Administration & Finance	154,795	0	154,795	154,795	147,592	<b>149,118</b>
	2 Agriculture	262,548	0	262,548	262,548	260,468	<b>231,905</b>
	3 Public Works	116,081	0	116,081	115,712	113,078	<b>111,667</b>
	4 Education Delivery	2,815,403	0	2,815,403	2,815,403	2,807,916	<b>2,590,799</b>
	5 Health Services	559,732	0	559,732	559,732	554,679	<b>302,356</b>
	C/F	129,912,894	714,028	130,626,922	129,501,731	124,895,790	112,396,532

Agency No.	Description	Outstanding Contingency		Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	129,912,894	714,028	130,626,922	129,501,731	124,895,790	<b>112,396,532</b>
75	Region 5 - Mahaica/Berbice						
	1 Regional Administration & Finance	118,173	0	118,173	118,170	117,918	<b>112,068</b>
	2 Agriculture	120,687	0	120,687	120,686	116,918	<b>111,240</b>
	3 Public Works	102,898	0	102,898	102,892	101,757	<b>91,857</b>
	4 Education Delivery	1,141,009	0	1,141,009	1,140,078	1,138,651	<b>1,074,005</b>
	5 Health Services	393,188	0	393,188	393,188	390,791	<b>303,142</b>
76	Region 6 - East Berbice/Corentyne						
	1 Regional Administration & Finance	130,477	0	130,477	130,474	130,263	<b>119,331</b>
	2 Agriculture	572,435	0	572,435	572,435	572,133	<b>475,749</b>
	3 Public Works	168,422	0	168,422	168,383	167,210	<b>176,363</b>
	4 Education Delivery	2,510,855	0	2,510,855	2,510,855	2,508,616	<b>2,274,461</b>
	5 Health Services	1,267,531	0	1,267,531	1,267,531	1,228,889	<b>1,054,278</b>
77	Region 7 - Cuyuni/Mazaruni						
	1 Regional Administration & Finance	164,012	0	164,012	164,012	163,894	<b>138,399</b>
	2 Public Works	122,413	0	122,413	122,413	122,351	<b>128,856</b>
	3 Education Delivery	1,018,114	0	1,018,114	1,018,114	971,693	<b>905,160</b>
	4 Health Services	376,433	0	376,433	376,433	376,264	<b>323,492</b>
78	Region 8 - Potaro/Siparuni						
	1 Regional Administration & Finance	83,863	0	83,863	83,851	83,616	<b>72,231</b>
	2 Public Works	123,195	0	123,195	123,195	123,084	<b>109,000</b>
	3 Education Delivery	477,505	0	477,505	477,505	476,582	<b>437,832</b>
	4 Health Services	177,709	6,653	184,362	184,258	183,755	<b>150,080</b>
79	Region 9 - Upper Takatu/Upper Essequibo						
	1 Regional Administration & Finance	129,628	0	129,628	129,626	125,112	<b>107,669</b>
	2 Agriculture	31,313	0	31,313	31,312	31,158	<b>23,304</b>
	3 Public Works	114,181	0	114,181	114,181	113,024	<b>105,956</b>
	4 Education Delivery	690,651	0	690,651	690,647	689,295	<b>679,243</b>
	5 Health Services	261,906	0	261,906	261,906	252,818	<b>221,722</b>
80	Region 10 - Upper Demerara/Berbice						
	1 Regional Administration & Finance	160,992	0	160,992	160,992	155,173	<b>140,588</b>
	2 Public Works	126,554	0	126,554	126,554	110,568	<b>136,305</b>
	3 Education Delivery	1,734,765	0	1,734,765	1,641,213	1,605,392	<b>1,412,918</b>
	4 Health Services	417,569	0	417,569	417,569	410,866	<b>301,226</b>
	<b>SUB TOTAL</b>	<b>142,649,372</b>	<b>720,681</b>	<b>143,370,053</b>	<b>142,150,204</b>	<b>137,363,581</b>	<b>123,583,007</b>

Agency No.	Description	Revised Allotment 2015	Outstanding Contingency Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>STATUTORY</u>							
01	Office of the President	14,048	0	14,048	14,047	14,047	22,671
03	Ministry of Finance	3,562,804	0	3,562,804	3,562,804	3,424,295	3,277,164
05	Ministry of Presidency	8,624	0	8,624	7,519	7,513	0
07	Parliament Office	299,624	0	299,624	235,425	233,127	372,464
08	Office the the Auditor General	0	0	0	0	0	0
09	Public and Police Service Commission	14,794	0	14,794	14,794	14,789	7,096
10	Teaching Service Commission	8,094	0	8,094	7,954	7,948	10,406
11	Elections Commission	34,456	0	34,456	34,456	34,382	60,256
51	Ministry of Home Affairs	19,717	0	19,717	19,717	19,717	15,579
54	Ministry of Public Security	8,859	0	8,859	8,150	8,150	0
55	Supreme Court of Judicature	0	0	0	0	0	112,125
56	Public Prosecutions	13,570	0	13,570	13,569	13,569	18,137
57	Office of the Ombudsman	11,056	0	11,056	11,056	11,056	15,186
58	Public Service Appellate Tribunal	0	0	0	0	0	0
90	Public Debt	35,384,967	0	35,384,967	16,704,948	15,092,519	9,758,074
SUB TOTAL		<u>39,380,613</u>	<u>0</u>	<u>39,380,613</u>	<u>20,634,439</u>	<u>18,881,112</u>	<u>13,669,156</u>
<u>OTHER EXPENDITURE</u>							
Treasury Bills						99,763,159	119,366,963
TOTAL PAYMENTS						<u>256,007,852</u>	<u>256,619,126</u>
SURPLUS (DEFICIT)						<u>(7,578,478)</u>	<u>(11,760,461)</u>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**STATEMENT OF RECEIPTS AND PAYMENTS  
OF THE CONSOLIDATED FUND (CAPITAL) OF THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

**RECEIPTS**

Report Object Group	Description	Approved	Actual Receipts Paid into Consolidated	Variance	Actual Receipts Paid into Consolidated
		Estimates 2015	Fund 2015	2015	Fund 2014
		\$'000	\$'000	\$'000	\$'000
565	Sale of Assets	0	2,123	2,123	3,569
570	Miscellaneous Capital Revenue	2,489,668	2,484,668	(5,000)	2,364,148
575	External Grants	4,983,950	3,851,351	(1,132,599)	920,443
580	External Loans	13,976,976	9,537,557	(4,439,419)	14,010,414
	<b>TOTAL RECEIPTS</b>	<b>21,450,594</b>	<b>15,875,699</b>	<b>(5,574,895)</b>	<b>17,298,573</b>

**PAYMENTS**

Agency No.	Description	Revised	Outstanding Contingency Fund Advances	Total Funds	Drawing Rights	Actual	Actual
		Allotment 2015	2015	Available 2015	(Allotment 2) 2015	Expenditure 2015	Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
01	Office of the President						
	1 Administrative Services	588,414	0	588,414	588,413	588,399	1,257,007
	2 Presidential Advisory	0	0	0	0	0	0
	3 Defence and National Security	0	0	0	0	0	0
	4 Public Policy and Planning	0	0	0	0	0	0
02	Office of the Prime Minister						
	1 Prime Minister's Secretariat	107,079	0	107,079	107,077	102,412	4,112,880
03	Ministry of Finance						
	1 Policy and Administration	3,954,895	0	3,954,895	3,837,587	3,827,464	4,723,775
	2 Public Financial Management	18,000	0	18,000	18,000	16,229	16,102
04	Ministry of Foreign Affairs						
	1 Development of Foreign Policy	17,000	0	17,000	15,986	15,106	15,003
	2 Foreign Policy Promotions	68,150	0	68,150	68,150	59,137	62,604
	3 Development of Foreign Trade Policy	984	0	984	984	984	600
05	Ministry of Presidency						
	1 Policy Development and Administration	2,310,243	60,064	2,370,307	2,283,077	2,245,203	0
	2 Defence and National Security	70,000	0	70,000	58,975	58,975	0
	3 Public Service Management	21,000	0	21,000	12,600	12,583	0
	4 Natural Resource Management	67,500	0	67,500	38,672	38,431	0
	5 Citizenship and Immigration Services	20,700	19,153	39,853	39,853	38,778	0
07	Parliament Office						
	1 National Assembly	0	0	0	0	0	66,695
08	Audit office of Guyana						
	1 Audit Office of Guyana	0	0	0	0	0	0
09	Public and Police Service Commission						
	1 Public and Police Service Commission	0	0	0	0	0	2,500
10	Teaching Service Commission						
	1 Teaching Service Commission	0	0	0	0	0	2,294
11	Elections Commission						
	1 Elections Commission	235,809	0	235,809	235,809	235,809	124,501
	2 Elections Administration	0	0	0	0	0	0
	C/F	<b>7,479,774</b>	<b>79,217</b>	<b>7,558,991</b>	<b>7,305,183</b>	<b>7,239,510</b>	<b>10,383,961</b>

Agency No.	Description	Outstanding Contingency		Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015				
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	7,479,774	79,217	7,558,991	7,305,183	7,239,510	10,383,961
13	Ministry of Local Government & Regional Development						
	1 Main Office	0	0	0	0	0	0
	2 Ministry Administration	0	0	0	0	0	12,100
	3 Regional Development	0	0	0	0	0	2,087,037
14	Public Service Ministry						
	1 Public Service Management	0	0	0	0	0	11,181
16	Ministry of Amerindian Affairs						
	1 Amerindian Development	0	0	0	0	0	1,142,082
17	Ministry of Indigenous People's Affairs						
	1 Policy Development and Administration	315,900	0	315,900	309,516	299,086	0
21	Ministry of Agriculture						
	1 Ministry Administration	2,670,133	0	2,670,133	2,479,542	2,479,536	2,782,324
	2 Crops and Livestock Support Services	1,645,418	0	1,645,418	1,478,270	1,478,270	1,837,232
	3 Fisheries	2,000	0	2,000	2,000	2,000	14,679
	4 Hydrometeorological Services	24,000	0	24,000	24,000	23,105	27,912
22	Ministry of Tourism						
	1 Policy Development and Administration	7,800	0	7,800	7,798	7,798	0
	2 Tourism Development	2,000	0	2,000	2,000	1,982	0
	3 Consumer Protection	5,600	0	5,600	5,600	5,600	0
23	Ministry of Tourism, Commerce and Industry						
	1 Main Office	0	0	0	0	0	41,554
	2 Ministry Administration	0	0	0	0	0	13,179
	3 Commerce, Industry & Consumer Affairs	235,064	0	235,064	235,064	235,064	616,743
24	Ministry of Natural Resources & The Environment						
	1 Ministry Administration	0	0	0	0	0	1,450
	2 Natural Resource Management	0	0	0	0	0	25,000
	3 Environmental Management	0	0	0	0	0	38,266
25	Ministry of Business						
	1 Policy Development and Administration	8,050	0	8,050	5,730	5,479	0
	2 Business Development, Support and Promotion	361,320	0	361,320	233,065	233,065	0
31	Ministry of Public Works						
	1 Ministry Administration	0	0	0	0	0	26,394
	2 Public Works	3,391,202	0	3,391,202	3,391,132	3,368,935	11,800,101
	3 Transport	74,498	0	74,498	74,498	74,498	1,541,872
32	Ministry of Public Infrastructure						
	1 Policy Development and Administration	1,221,981	0	1,221,981	299,619	296,773	0
	2 Public Works	8,332,982	0	8,332,982	4,569,472	4,380,313	0
	3 Transport	288,327	0	288,327	244,088	243,246	0
40	Ministry of Education						
	1 Policy Development and Administration	17,000	0	17,000	16,916	10,514	0
	2 Training and Development	256,120	0	256,120	251,914	204,052	0
	3 Nursery Education	102,000	0	102,000	34,997	21,601	0
	4 Primary Education	97,974	0	97,974	75,120	65,303	0
	5 Secondary Education	412,694	0	412,694	259,383	243,530	0
	6 Post-Secondary/Tertiary Education	689,537	0	689,537	659,979	651,794	0
	7 Cultural Preservation and Conservation	22,800	0	22,800	21,860	19,623	0
	8 Youth	50,235	0	50,235	50,234	50,040	0
41	Ministry of Education						
	1 Main Office	0	0	0	0	0	12,891
	2 National Education Policy-Implementation Sup.	0	0	0	0	0	22,171
	3 Ministry Administration	0	0	0	0	0	35,012
	4 Training and Development	2,484	0	2,484	2,484	2,484	37,205
	5 Education Delivery	579,791	0	579,791	579,786	579,754	1,844,747
	C/F	28,296,684	79,217	28,375,901	22,619,250	22,222,955	34,355,091

Agency No.	Description	Outstanding Contingency					Actual Expenditure 2015	Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	B/F	28,296,684	79,217	28,375,901	22,619,250	22,222,955	34,355,091	
42	Ministry of Communities							
	1 Sustainable Communities Management	695,557	0	695,557	592,585	540,899	0	
	2 Sustainable Communities Development	3,653,924	0	3,653,924	2,578,825	2,224,411	0	
43	Ministry of Public Health							
	1 Policy Development and Administration	19,858	0	19,858	19,852	15,245	0	
	2 Disease Control	82,450	0	82,450	82,450	74,454	0	
	3 Family Health Care Services	15,600	0	15,600	15,600	13,530	0	
	4 Regional & Clinical Services	470,314	0	470,314	398,442	377,657	0	
	5 Health Sciences Education	32,902	0	32,902	12,637	11,195	0	
	6 Standards and Technical Services	21,500	0	21,500	21,500	18,050	0	
	7 Disability and Rehabilitation Services	6,280	0	6,280	6,280	6,000	0	
44	Ministry of Culture, Youth and Sports							
	1 Ministry Administration	0	0	0	0	0	10,108	
	2 Culture	0	0	0	0	0	87,668	
	3 Youth	16,732	0	16,732	16,732	16,732	70,763	
	4 Sports	77,730	0	77,730	77,727	77,727	725,000	
45	Ministry of Housing and Water							
	1 Housing & Water	2,059,371	0	2,059,371	2,058,091	2,058,091	8,375,434	
46	Georgetown Public Hospital Corporation							
	1 Public Hospital	59,312	0	59,312	59,312	59,312	413,491	
47	Ministry of Health							
	1 Ministry Administration	0	0	0	0	0	79,825	
	2 Diseases Control	0	0	0	0	0	17,284	
	3 Primary Health Care Services	0	0	0	0	0	9,912	
	4 Regional & Clinical Services	74,809	0	74,809	74,809	74,809	827,193	
	5 Health Sciences Education	5,502	0	5,502	5,502	5,501	15,969	
	6 Standards & Technical Services	0	0	0	0	0	13,212	
	7 Rehabilitation Services	0	0	0	0	0	576	
48	Ministry of Labour, Human Service & Social Security							
	1 Strategic Planning, Admin and Human Services	0	0	0	0	0	62,170	
	2 Social Services	0	0	0	0	0	33,572	
	3 Labour Administration	702	0	702	702	702	38,444	
	4 Child Care and Protection	0	0	0	0	0	16,711	
49	Ministry of Social Protection							
	1 Policy Development and Administration	9,000	0	9,000	9,000	8,980	0	
	2 Social Services	18,200	0	18,200	18,200	12,756	0	
	3 Labour Administration	17,300	0	17,300	13,699	11,243	0	
	4 Child Care and Protection	31,300	0	31,300	30,699	23,258	0	
51	Ministry of Home Affairs							
	1 Secretariat Services	0	0	0	0	0	817,354	
	2 Guyana Police Force	55,821	0	55,821	55,814	55,814	689,400	
	3 Guyana Prison Services	0	0	0	0	0	291,419	
	4 Police Complaints Authority	0	0	0	0	0	930	
	5 Guyana Fire Service	931	0	931	931	931	406,292	
	6 General Register Office	0	0	0	0	0	5,998	
	7 Customs Anti Narcotics Unit	0	0	0	0	0	6,539	
52	Ministry of Legal Affairs							
	1 Main Office	0	0	0	0	0	2,004	
	2 Ministry Administration	20,100	0	20,100	20,100	20,100	8,200	
	3 Attorney General's Chambers	0	0	0	0	0	0	
	4 State Solicitor	434	0	434	434	434	487	
	5 Deeds Registry	0	0	0	0	0	0	
	C/F	35,742,313	79,217	35,821,530	28,789,173	27,930,786	47,381,045	

Agency No.	Description	Outstanding Contingency					Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015	Actual Expenditure 2015	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	35,742,313	79,217	35,821,530	28,789,173	27,930,786	47,381,045
53	Guyana Defense Force						
	1 Defence and Security Support	536,400	0	536,400	536,400	536,298	653,356
			0				
54	Ministry of Public security						
	1 Policy Development and Administration	60,440	0	60,440	31,538	31,538	0
	2 Police Force	391,320	0	391,320	273,873	268,905	0
	3 Prison Service	101,003	0	101,003	91,723	87,682	0
	4 Police Complaints Authority	1,200	0	1,200	1,196	1,190	0
	5 Fire Service	132,064	0	132,064	106,480	94,174	0
	6 Custom Anti Narcotics Unit	0	0	0	0	0	0
55	Supreme Court						
	1 Supreme Court of Judicature	12,128	0	12,128	12,128	12,128	43,297
	2 Magistracy	19,923	0	19,923	19,923	19,920	61,962
56	Public Prosecutions						
	1 Public Prosecutions	0	0	0	0	0	4,984
57	Office of the Ombudsman						
	1 Ombudsman	0	0	0	0	0	0
58	Public Service Appellate Tribunal						
	1 Public Service Appellate Tribunal	0	0	0	0	0	3,322
71	Region 1 Barima/Waini						
	1 Regional Administration and Finance	3,300	0	3,300	3,298	3,298	31,991
	2 Public Works	30,861	0	30,861	18,619	7,417	120,888
	3 Education Delivery	71,850	0	71,850	55,179	55,179	58,335
	4 Health Services	80,086	0	80,086	54,786	53,296	53,776
72	Region 2 - Pomeroon/Supenaam						
	1 Regional Administration & Finance	1,000	0	1,000	1,000	999	6,097
	2 Agriculture	72,540	0	72,540	58,011	58,010	152,999
	3 Public Works	62,670	0	62,670	53,245	53,081	94,187
	4 Education Delivery	75,140	0	75,140	61,722	61,721	65,498
	5 Health Services	69,990	0	69,990	41,911	41,865	84,603
73	Region 3 - Essequibo Islands/West Demerara						
	1 Regional Administration & Finance	3,500	0	3,500	3,500	3,497	8,100
	2 Agriculture	30,110	0	30,110	30,110	30,110	59,300
	3 Public Works	45,405	0	45,405	45,405	45,405	101,486
	4 Education Delivery	57,860	0	57,860	57,860	57,853	75,604
	5 Health Services	65,900	0	65,900	65,900	65,900	82,210
74	Region 4 - Demerara/Mahaica						
	1 Regional Administration & Finance	19,000	0	19,000	11,700	11,698	8,802
	2 Agriculture	9,293	0	9,293	8,961	8,291	38,448
	3 Public Works	48,150	0	48,150	43,600	43,600	63,478
	4 Education Delivery	130,200	0	130,200	51,258	47,320	74,121
	5 Health Services	30,744	0	30,744	16,566	16,566	43,684
75	Region 5 - Mahaica/Berbice						
	1 Regional Administration & Finance	12,850	0	12,850	12,850	12,781	8,316
	2 Agriculture	40,000	0	40,000	40,000	40,000	91,500
	3 Public Works	75,210	0	75,210	72,014	68,971	90,944
	4 Education Delivery	55,195	0	55,195	55,195	55,153	68,104
	5 Health Services	51,336	0	51,336	41,916	38,116	59,678
	C/F	38,138,981	79,217	38,218,198	30,767,040	29,862,748	49,690,114

Agency No.	Description	Outstanding Contingency					Actual Expenditure 2015	Actual Expenditure 2014
		Revised Allotment 2015	Fund Advances 2015	Total Funds Available 2015	Drawing Rights (Allotment 2) 2015			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
76	B/F	38,138,981	79,217	38,218,198	30,767,040	29,862,748	49,690,114	
	Region 6 - East Berbice/Corentyne							
	1 Regional Administration & Finance	7,300	0	7,300	7,300	7,258	12,892	
	2 Agriculture	55,685	0	55,685	55,685	55,685	135,500	
	3 Public Works	69,960	0	69,960	67,974	67,974	122,700	
	4 Education Delivery	38,275	0	38,275	38,270	38,255	64,928	
	5 Health Services	89,400	0	89,400	89,400	65,366	89,335	
77	Region 7 - Cuyuni/Mazaruni							
	1 Regional Administration & Finance	13,300	0	13,300	13,300	13,298	4,000	
	2 Public Works	28,410	0	28,410	26,079	26,056	34,100	
	3 Education Delivery	50,744	0	50,744	47,148	47,134	57,760	
	4 Health Services	45,630	0	45,630	45,630	45,574	54,984	
78	Region 8 - Potaro/Siparuni							
	1 Regional Administration & Finance	14,365	0	14,365	14,034	14,001	10,985	
	2 Public Works	53,475	0	53,475	42,590	25,356	48,216	
	3 Education Delivery	44,425	0	44,425	29,905	29,268	64,309	
	4 Health Services	42,454	0	42,454	39,340	39,148	42,291	
79	Region 9 - Upper Takatu/Upper Essequibo							
	1 Regional Administration & Finance	21,500	0	21,500	20,623	20,277	9,944	
	2 Agriculture	11,295	0	11,295	10,136	10,136	18,450	
	3 Public Works	76,964	0	76,964	76,830	76,829	161,513	
	4 Education Delivery	40,100	0	40,100	39,884	39,884	77,211	
	5 Health Services	31,100	0	31,100	30,349	30,315	38,999	
80	Region 10 - Upper Demerara/Upper Berbice							
	1 Regional Administration & Finance	28,500	0	28,500	24,164	21,498	7,500	
	2 Public Works	96,257	0	96,257	66,803	62,322	139,885	
	3 Education Delivery	69,600	0	69,600	47,722	38,213	67,161	
	4 Health Services	45,900	0	45,900	40,069	28,291	60,842	
SUB TOTAL		<b>39,113,620</b>	<b>79,217</b>	<b>39,192,837</b>	<b>31,640,275</b>	<b>30,664,886</b>	<b>51,013,620</b>	
SURPLUS (DEFICIT)						<b>(14,789,187)</b>	<b>(33,715,046)</b>	

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE



**STATEMENT OF EXPENDITURES FROM THE CONSOLIDATED FUND  
AS COMPARED WITH THE TOTAL FUNDS AVAILABLE FOR EXPENDITURE (CURRENT)  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Revised Allotment 2015	Total Funds Available 2015	Actual Expenditure 2015	Under Total Funds Available 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
01	Office of the President						
	1 Administrative Services	858,621	861,280	861,280	860,961	(319)	<b>1,283,050</b>
	2 Presidential Advisory	551,031	548,372	548,372	547,102	(1,270)	<b>808,984</b>
	3 Defence and National Security	34,744	34,744	34,744	34,442	(302)	<b>64,612</b>
	4 Public Policy and Planning	0	0	0	0	0	<b>0</b>
02	Office of the Prime Minister						
	1 Prime Minister's Secretariat	267,980	267,980	278,980	267,793	(11,187)	<b>273,520</b>
03	Ministry of Finance						
	1 Policy and Administration	13,414,214	13,414,214	13,414,214	12,732,155	(682,059)	<b>17,702,816</b>
	2 Public Financial Management	4,303,621	4,303,621	4,303,621	3,718,994	(584,627)	<b>4,175,485</b>
04	Ministry of Foreign Affairs						
	1 Development of Foreign Policy	1,263,869	1,263,869	1,263,869	1,075,191	(188,678)	<b>980,425</b>
	2 Foreign Policy Promotions	2,611,628	2,611,628	2,611,628	2,329,627	(282,001)	<b>2,348,940</b>
	3 Development of Foreign Trade Policy	39,816	39,816	39,816	36,882	(2,934)	<b>39,450</b>
05	Ministry of Presidency						
	1 Policy Development and Administration	695,186	695,186	695,186	649,763	(45,423)	<b>0</b>
	2 Defence and National Security	72,211	72,211	72,211	42,350	(29,861)	<b>0</b>
	3 Public Service Management	350,746	350,746	350,746	278,834	(71,912)	<b>0</b>
	4 Natural Resource Management	354,187	354,187	354,187	347,590	(6,597)	<b>0</b>
	5 Citizenship & Immigration Service	241,463	241,463	241,463	115,155	(126,308)	<b>0</b>
07	Parliament Office						
	1 National Assembly	810,361	810,361	810,361	742,961	(67,400)	<b>942,679</b>
08	Audit Office of Guyana						
	1 Audit office of Guyana	649,308	649,308	649,308	643,527	(5,781)	<b>0</b>
09	Public and Police Service Commission						
	1 Public and Police Service Commission	61,647	61,647	61,647	60,647	(1,000)	<b>50,196</b>
10	Teaching Service Commission						
	1 Teaching Service Commission	87,421	87,421	87,421	76,008	(11,413)	<b>70,416</b>
11	Elections Commission						
	1 Elections Commission	3,307,856	3,307,856	3,307,856	1,480,220	(1,827,636)	<b>1,578,612</b>
	2 Elections Administration	2,346,704	2,346,704	2,346,704	2,103,288	(243,416)	<b>0</b>
13	Ministry of Local Government & Regional Development						
	1 Main Office	72,963	73,932	73,932	73,782	(150)	<b>103,836</b>
	2 Ministry Administration	30,668	33,096	33,096	33,093	(3)	<b>49,676</b>
	3 Regional Development	124,200	120,803	120,803	120,780	(23)	<b>177,300</b>
14	Public Service Ministry						
	1 Public Service Management	715,043	715,043	715,043	670,899	(44,144)	<b>1,032,756</b>
16	Ministry of Amerindian Affairs						
	1 Amerindian Development	359,368	359,368	359,368	351,279	(8,089)	<b>434,661</b>
17	Ministry of Indigenous People's Affairs						
	1 Policy Development and Administration	302,196	302,196	302,196	275,962	(26,234)	<b>0</b>
	C/F	<u>33,927,052</u>	<u>33,927,052</u>	<u>33,938,052</u>	<u>29,669,285</u>	<u>(4,268,767)</u>	<u><b>32,117,414</b></u>

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Revised Allotment 2015	Total Funds Available 2015	Actual Expenditure 2015	Under Total Funds Available 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	33,927,052	33,927,052	33,938,052	29,669,285	(4,268,767)	32,117,414
21	Ministry of Agriculture						
	1 Ministry Administration	15,956,100	15,956,100	16,037,673	16,036,334	(1,339)	10,238,673
	2 Crops and Livestock Support Services	0	0	0	0	0	0
	3 Fisheries	127,376	127,376	127,376	126,346	(1,030)	123,245
	4 Hydrometeorological Services	469,547	469,547	469,547	467,328	(2,219)	431,517
22	Ministry of Tourism						
	1 Policy Development and Administration	60,244	60,244	60,244	59,062	(1,182)	0
	2 Tourism Development	72,093	72,093	174,093	174,093	0	0
	3 Consumer Protection	32,154	32,154	32,154	31,216	(938)	0
23	Ministry of Tourism, Commerce and Industry						
	1 Main Office	340,552	340,552	340,552	336,841	(3,711)	499,475
	2 Ministry Administration	39,508	39,508	39,508	39,158	(350)	66,624
	3 Commerce, Industry & Consumer Affairs	70,689	70,689	70,689	66,721	(3,968)	104,449
24	Ministry of Natural Resources & The Environment						
	1 Ministry Administration	135,147	135,147	135,147	131,228	(3,919)	117,256
	2 Natural Resource Management	78,376	78,376	78,376	78,376	0	119,490
	3 Environmental Management	267,983	267,983	267,983	267,983	0	423,091
25	Ministry of Business						
	1 Policy Development and Administration	78,473	78,473	78,473	71,370	(7,103)	0
	2 Business Development, Support and Promotion	134,651	134,651	134,651	133,539	(1,112)	0
31	Ministry of Public Works						
	1 Ministry Administration	426,681	426,681	426,681	426,535	(146)	618,450
	2 Public Works	1,315,351	1,315,351	1,315,351	1,313,936	(1,415)	1,811,930
	3 Transport	19,168	19,168	19,168	19,018	(150)	66,613
32	Ministry of Public Infrastructure						
	1 Policy Development and Administration	1,507,265	1,507,265	1,507,265	1,496,438	(10,827)	0
	2 Public Works	1,121,623	1,121,623	1,121,623	1,119,577	(2,046)	0
	3 Transport	48,466	48,466	48,466	48,348	(118)	0
40	Ministry of Education						
	1 Policy Development and Administration	603,761	603,761	603,761	487,180	(116,581)	0
	2 Training and Development	815,561	815,561	815,561	749,807	(65,754)	0
	3 Nursery Education	789,274	789,274	789,274	776,325	(12,949)	0
	4 Primary Education	1,252,538	1,252,538	1,252,538	1,236,429	(16,109)	0
	5 Secondary Education	1,349,988	1,349,988	1,349,988	1,318,249	(31,739)	0
	6 Post- Secondary/ Tertiary Education	1,141,559	1,141,559	1,218,863	1,198,249	(20,614)	0
	7 Cultural Preservation and Cons	210,191	210,191	210,191	205,966	(4,225)	0
	8 Youth	63,408	63,408	63,408	58,042	(5,366)	0
41	Ministry of Education						
	1 Main Office	371,066	371,066	371,066	370,145	(921)	445,254
	2 National Education Policy-Implementation Sup.	151,405	151,405	151,405	150,220	(1,185)	225,072
	3 Ministry Administration	999,724	999,724	999,724	993,122	(6,602)	2,403,968
	4 Training and Development	694,000	694,000	694,000	692,170	(1,830)	1,059,260
	5 Education Delivery	3,826,113	3,826,113	3,826,113	3,822,683	(3,430)	7,435,131
42	Ministry of Communities						
	1 Sustainable Communities Management	164,887	164,887	164,887	155,588	(9,299)	0
	2 Sustainable Communities Development	215,736	215,736	215,736	213,991	(1,745)	0
43	Ministry of Public Health						
	1 Policy Development and Administration	346,214	346,214	346,214	281,616	(64,598)	0
	2 Disease Control	863,790	863,790	863,790	491,275	(372,515)	0
	3 Family Health Care Services	222,531	222,531	222,531	171,761	(50,770)	0
	4 Regional & Clinical Services	3,389,241	3,388,412	3,388,412	3,316,582	(71,830)	0
	5 Health Sciences Education	201,535	202,364	202,364	132,979	(69,385)	0
	6 Standards and Technical Service	231,600	231,600	231,600	215,059	(16,541)	0
	7 Disability & Rehabilitation Service	83,777	83,777	83,777	71,010	(12,767)	0
	C/F	74,216,398	74,216,398	74,488,275	69,221,180	(5,267,095)	58,306,913

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Revised Allotment 2015	Total Funds Available 2015	Actual Expenditure 2015	Under Total Funds Available 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	74,216,398	74,216,398	74,488,275	69,221,180	(5,267,095)	<b>58,306,913</b>
44	Ministry of Culture, Youth and Sports						
	1 Ministry Administration	118,792	118,792	118,792	115,710	(3,082)	<b>188,600</b>
	2 Culture	338,481	338,481	338,481	337,547	(934)	<b>569,876</b>
	3 Youth	342,785	342,785	342,785	338,744	(4,041)	<b>519,786</b>
	4 Sports	182,951	182,951	182,951	182,051	(900)	<b>265,318</b>
	5 Youth Entrepreneurial Skills	0	0	0	0	0	<b>0</b>
45	Ministry of Housing and Water						
	1 Housing & Water	263,257	263,257	263,257	263,251	(6)	<b>513,184</b>
46	Georgetown Public Hospital Corporation						
	1 Public Hospital	3,951,460	3,951,460	3,951,460	3,951,460	0	<b>5,289,270</b>
47	Ministry of Health						
	1 Ministry Administration	675,677	675,677	675,677	673,804	(1,873)	<b>842,812</b>
	2 Diseases Control	337,077	337,077	337,077	336,667	(410)	<b>984,544</b>
	3 Primary Health Care Services	542,991	542,991	542,991	541,045	(1,946)	<b>614,506</b>
	4 Regional & Clinical Services	4,049,215	4,049,215	4,049,215	4,047,919	(1,296)	<b>5,136,773</b>
	5 Health Sciences Education	312,228	312,228	312,228	310,477	(1,751)	<b>468,070</b>
	6 Standards & Technical Services	408,505	408,505	408,505	404,407	(4,098)	<b>511,603</b>
	7 Rehabilitation Services	206,533	206,533	206,533	202,350	(4,183)	<b>255,717</b>
48	Ministry of Labour, Human Service & Social Security						
	1 Strategic Planning, Admin and Human Services	119,302	119,302	119,302	117,811	(1,491)	<b>207,042</b>
	2 Social Services	5,394,934	5,394,934	5,394,934	5,354,893	(40,041)	<b>8,569,649</b>
	3 Labour Administration	205,482	205,482	205,482	200,663	(4,819)	<b>379,111</b>
	4 Child Care and Protection	253,080	253,080	253,080	242,224	(10,856)	<b>352,171</b>
49	Ministry of Social Protection						
	1 Policy Development and Administration	97,269	97,269	97,269	93,980	(3,289)	<b>0</b>
	2 Social Services	3,458,104	3,458,104	3,458,104	3,455,610	(2,494)	<b>0</b>
	3 Labour Administration	222,075	222,075	222,075	214,971	(7,104)	<b>0</b>
	4 Child Care and Protection	174,699	174,699	174,699	171,530	(3,169)	<b>0</b>
51	Ministry of Home Affairs						
	1 Secretariat Services	412,531	412,531	412,531	412,528	(3)	<b>521,036</b>
	2 Guyana Police Force	5,494,681	5,494,681	5,494,681	5,494,680	(1)	<b>6,809,750</b>
	3 Guyana Prison Services	888,373	888,373	888,373	888,372	(1)	<b>1,180,535</b>
	4 Police Complaints Authority	7,585	7,585	7,585	7,583	(2)	<b>9,823</b>
	5 Guyana Fire Service	539,775	539,775	539,775	539,775	0	<b>672,825</b>
	6 General Register Office	101,238	101,238	101,238	99,554	(1,684)	<b>174,342</b>
	7 Customs Anti Narcotics Unit	66,225	66,225	66,225	65,806	(419)	<b>66,444</b>
52	Ministry of Legal Affairs						
	1 Main Office	28,657	28,657	28,657	28,634	(23)	<b>20,981</b>
	2 Ministry Administration	45,228	45,228	45,228	44,637	(591)	<b>49,144</b>
	3 Attorney General's Chambers	816,989	816,989	816,989	814,976	(2,013)	<b>150,247</b>
	4 State Solicitor	25,892	25,892	25,892	25,820	(72)	<b>26,797</b>
	5 Deeds Registry	0	0	0	0	0	<b>28,145</b>
53	Guyana Defense Force						
	1 Defence and Security Support	8,609,057	8,609,057	9,019,057	9,017,177	(1,880)	<b>7,391,511</b>
54	Ministry of Public Security						
	1 Policy Development and Administration	236,827	236,827	236,827	190,147	(46,680)	<b>0</b>
	2 Police Force	2,584,743	2,584,743	2,584,743	2,539,166	(45,577)	<b>0</b>
	3 Prison Service	415,111	415,111	428,711	428,024	(687)	<b>0</b>
	4 Police Complaint Authority	8,143	8,143	8,143	7,138	(1,005)	<b>0</b>
	5 Fire Service	345,842	345,842	345,842	332,980	(12,862)	<b>0</b>
	6 Customs Anti Narcotics Unit	100,074	100,074	100,074	60,984	(39,090)	<b>0</b>
	C/F	<b>116,598,266</b>	<b>116,598,266</b>	<b>117,293,743</b>	<b>111,776,275</b>	<b>(5,517,468)</b>	<b>101,076,524</b>

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Revised Allotment 2015	Total Funds Available 2015	Actual Expenditure 2015	Under Total Funds Available 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	116,598,266	116,598,266	117,293,743	111,776,275	(5,517,468)	101,076,524
55	Supreme Court of Judicature						
	1 Supreme Courts of Judicature	1,413,645	1,413,645	1,413,645	1,312,779	(100,866)	964,284
	2 Magistracy	0	0	0	0	0	117,021
56	Public Prosecutions						
	1 Public Prosecutions	117,444	117,444	117,444	115,435	(2,009)	87,819
57	Office of the Ombudsman						
	1 Ombudsman	28,299	28,299	28,299	17,667	(10,632)	18,432
58	Public Service Appellate Tribunal						
	1 Public Service Appellate Tribunal	15,470	15,470	15,470	1,202	(14,268)	2,287
59	Ethnic Relations Commission						
	1 Ethnic Relations Commission	27,596	27,596	27,596	27,596	0	0
60	Judicial Service Commission						
	1 Judicial Service Commission	2,340	2,340	2,340	2,340	0	0
61	Rights Commission of Guyana						
	1 Rights Commission of Guyana	35,670	35,670	35,670	31,484	(4,186)	0
62	Public Procurement Commission						
	1 Public Procurement Commission	1	1	1	0	(1)	0
71	Region 1 - Barima/Waini						
	1 Regional Administration & Finance	155,600	155,600	155,600	153,373	(2,227)	116,516
	2 Public Works	219,798	219,798	219,798	215,719	(4,079)	188,792
	3 Education Delivery	946,938	946,938	946,938	925,679	(21,259)	838,628
	4 Health Services	469,901	469,901	469,901	454,690	(15,211)	348,222
72	Region 2 - Pomeroon/Supenaam						
	1 Regional Administration & Finance	160,995	160,995	160,995	160,319	(676)	145,865
	2 Agriculture	249,442	249,442	260,442	257,928	(2,514)	236,887
	3 Public Works	94,090	94,090	94,090	91,537	(2,553)	88,290
	4 Education Delivery	1,469,257	1,469,257	1,469,257	1,463,689	(5,568)	1,351,064
	5 Health Services	598,315	598,315	598,315	596,253	(2,062)	468,303
73	Region 3 - Essequibo Islands/West Demerara						
	1 Regional Administration & Finance	166,215	166,215	169,266	169,240	(26)	153,090
	2 Agriculture	244,082	244,082	244,082	243,877	(205)	235,811
	3 Public Works	78,857	78,857	78,857	78,813	(44)	81,085
	4 Education Delivery	2,013,088	2,013,088	2,013,088	2,012,762	(326)	1,810,029
	5 Health Services	899,026	899,026	903,526	903,400	(126)	681,739
74	Region 4 - Demerara/Mahaica						
	1 Regional Administration & Finance	154,795	154,795	154,795	147,592	(7,203)	149,118
	2 Agriculture	262,548	262,548	262,548	260,468	(2,080)	231,905
	3 Public Works	116,081	116,081	116,081	113,078	(3,003)	111,667
	4 Education Delivery	2,815,403	2,815,403	2,815,403	2,807,916	(7,487)	2,590,799
	5 Health Services	559,732	559,732	559,732	554,679	(5,053)	302,356
75	Region 5 - Mahaica/Berbice						
	1 Regional Administration & Finance	118,173	118,173	118,173	117,918	(255)	112,068
	2 Agriculture	120,687	120,687	120,687	116,918	(3,769)	111,240
	3 Public Works	102,898	102,898	102,898	101,757	(1,141)	91,857
	4 Education Delivery	1,141,009	1,141,009	1,141,009	1,138,651	(2,358)	1,074,005
	5 Health Services	393,188	393,188	393,188	390,791	(2,397)	303,142
76	Region 6 - East Berbice/Corentyne						
	1 Regional Administration & Finance	130,477	130,477	130,477	130,263	(214)	119,331
	2 Agriculture	572,435	572,435	572,435	572,133	(302)	475,749
	3 Public Works	168,422	168,422	168,422	167,210	(1,212)	176,363
	4 Education Delivery	2,510,855	2,510,855	2,510,855	2,508,616	(2,239)	2,274,461
	5 Health Services	1,267,531	1,267,531	1,267,531	1,228,889	(38,642)	1,054,278
	C/F	136,438,569	136,438,569	137,152,597	131,368,936	(5,783,661)	118,189,026

Agency No.	Description	Approved Allotment (Allotment 1) 2015	Revised Allotment 2015	Total Funds Available 2015	Actual Expenditure 2015	Under Total Funds Available 2015	Actual Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	136,438,569	136,438,569	137,152,597	131,368,936	(5,783,661)	118,189,026
77	Region 7 - Cuyuni/Mazaruni						
	1 Regional Administration & Finance	164,012	164,012	164,012	163,894	(118)	138,399
	2 Public Works	122,413	122,413	122,413	122,351	(62)	128,856
	3 Education Delivery	1,018,114	1,018,114	1,018,114	971,693	(46,421)	905,160
	4 Health Services	376,433	376,433	376,433	376,264	(169)	323,492
78	Region 8 - Potaro/Siparuni						
	1 Regional Administration & Finance	83,863	83,863	83,863	83,616	(247)	72,231
	2 Public Works	123,195	123,195	123,195	123,084	(111)	109,000
	3 Education Delivery	477,505	477,505	477,505	476,582	(923)	437,832
	4 Health Services	177,709	177,709	184,362	183,755	(607)	150,080
79	Region 9 - Upper Takatu/Upper Essequibo						
	1 Regional Administration & Finance	129,628	129,628	129,628	125,112	(4,516)	107,669
	2 Agriculture	31,313	31,313	31,313	31,158	(155)	23,304
	3 Public Works	114,181	114,181	114,181	113,024	(1,157)	105,956
	4 Education Delivery	690,651	690,651	690,651	689,295	(1,356)	679,243
	5 Health Services	261,906	261,906	261,906	252,818	(9,088)	221,722
80	Region 10 - Upper Demerara/Berbice						
	1 Regional Administration & Finance	160,992	160,992	160,992	155,173	(5,819)	140,588
	2 Public Works	126,554	126,554	126,554	110,568	(15,986)	136,305
	3 Education Delivery	1,734,765	1,734,765	1,734,765	1,605,392	(129,373)	1,412,918
	4 Health Services	417,569	417,569	417,569	410,866	(6,703)	301,226
	<b>SUB TOTAL</b>	<b>142,649,372</b>	<b>142,649,372</b>	<b>143,370,053</b>	<b>137,363,581</b>	<b>(6,006,472)</b>	<b>123,583,007</b>
<b>STATUTORY</b>							
01	Office of the President	14,048	14,048	14,048	14,047	(1)	22,671
03	Ministry of Finance	3,562,804	3,562,804	3,562,804	3,424,295	(138,509)	3,277,164
05	Ministry of Presidency	8,624	8,624	8,624	7,513	(1,111)	
07	Parliament Office	299,624	299,624	299,624	233,127	(66,497)	372,464
08	Audit Office of Guyana	0	0	0	0	0	0
09	Public and Police Service Commission	14,794	14,794	14,794	14,789	(5)	7,096
10	Teaching Service Commission	8,094	8,094	8,094	7,948	(146)	10,406
11	Elections Commission	34,456	34,456	34,456	34,382	(74)	60,256
51	Ministry of Home Affairs	19,717	19,717	19,717	19,717	0	15,579
54	Ministry of Public Security	8,859	8,859	8,859	8,150	(709)	
55	Supreme Court of Judicature	0	0	0	0	0	112,125
56	Public Prosecutions	13,570	13,570	13,570	13,569	(1)	18,137
57	Office of the Ombudsman	11,056	11,056	11,056	11,056	0	15,186
58	Public Service Appellate Tribunal	0	0	0	0	0	0
90	Public Debt	35,384,967	35,384,967	35,384,967	15,092,519	(20,292,448)	9,758,074
	<b>SUB TOTAL</b>	<b>39,380,613</b>	<b>39,380,613</b>	<b>39,380,613</b>	<b>18,881,112</b>	<b>(20,499,501)</b>	<b>13,669,156</b>
	<b>TOTAL PAYMENTS</b>	<b>182,029,985</b>	<b>182,029,985</b>	<b>182,750,666</b>	<b>156,244,693</b>	<b>(26,505,973)</b>	<b>137,252,163</b>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**STATEMENT OF EXPENDITURES FROM THE CONSOLIDATED FUND  
AS COMPARED WITH THE TOTAL FUNDS AVAILABLE FOR EXPENDITURE (CAPITAL) OF THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

Agency No.	Description	Approved Allotment (Allotment 1) 2015 \$'000	Revised Allotment 2015 \$'000	Total Funds Available 2015 \$'000	Actual Expenditure 2015 \$'000	Under Total Funds Available 2015 \$'000	Actual Expenditure 2014 \$'000
01	<b>Office of the President</b>						
	1 Administrative Services	588,414	588,414	588,414	588,399	(15)	1,257,007
	2 Presidential Advisory	0	0	0	0	0	0
	3 Defence and National Security	0	0	0	0	0	0
	4 Public Policy and Planning	0	0	0	0	0	0
02	<b>Office of the Prime Minister</b>						
	1 Prime Minister's Secretariat	107,079	107,079	107,079	102,412	(4,667)	4,112,880
03	<b>Ministry of Finance</b>						
	1 Policy and Administration	3,954,895	3,954,895	3,954,895	3,827,464	(127,431)	4,723,775
	2 Public Financial Management	18,000	18,000	18,000	16,229	(1,771)	16,102
04	<b>Ministry of Foreign Affairs</b>						
	1 Development of Foreign Policy	17,000	17,000	17,000	15,106	(1,894)	15,003
	2 Foreign Policy Promotions	68,150	68,150	68,150	59,137	(9,013)	62,604
	3 Development of Foreign Trade Policy	984	984	984	984	0	600
05	<b>Ministry of Presidency</b>						
	1 Policy Development and Administration	2,310,243	2,310,243	2,370,307	2,245,203	(125,104)	0
	2 Defence and National Security	70,000	70,000	70,000	58,975	(11,025)	0
	3 Public Service Management	21,000	21,000	21,000	12,583	(8,417)	0
	4 Natural Resource Management	67,500	67,500	67,500	38,431	(29,069)	0
	5 Citizenship & Immigration Service	20,700	20,700	39,853	38,778	(1,075)	0
07	<b>Parliament Office</b>						
	1 National Assembly	0	0	0	0	0	66,695
	2 Parliament Office	0	0	0	0	0	0
08	<b>Audit Office of Guyana</b>						
	1 Audit office of Guyana	0	0	0	0	0	0
09	<b>Public and Police Service Commission</b>						
	1 Public and Police Service Commission	0	0	0	0	0	2,500
10	<b>Teaching Service Commission</b>						
	1 Teaching Service Commission	0	0	0	0	0	2,294
11	<b>Elections Commission</b>						
	1 Elections Commission	235,809	235,809	235,809	235,809	0	124,501
	2 Elections Administration	0	0	0	0	0	0
13	<b>Ministry of Local Government &amp; Regional Development</b>						
	1 Main Office	0	0	0	0	0	0
	2 Ministry Administration	0	0	0	0	0	12,100
	3 Regional Development	0	0	0	0	0	2,087,037
14	<b>Public Service Ministry</b>						
	1 Public Service Management	0	0	0	0	0	11,181
15	<b>Ministry of Foreign Trade and Int'l</b>						
	1 Foreign Trade and Intl Coop	0	0	0	0	0	0
16	<b>Ministry of Amerindian Affairs</b>						
	1 Amerindian Development	0	0	0	0	0	1,142,082
17	<b>Ministry of Indigenous People's Affair</b>						
	1 Policy Development and Administration	315,900	315,900	315,900	299,086	(16,814)	0
	C/F	7,795,674	7,795,674	7,874,891	7,538,596	(336,295)	13,636,361

Agency No.	Description	Approved	Revised	Total Funds	Actual	Under Total	Actual
		Allotment (Allotment 1) 2015	Allotment 2015	Available 2015	Expenditure 2015	Funds Available 2015	Expenditure 2014
		\$'000		\$'000	\$'000	\$'000	\$'000
	B/F	7,795,674	7,795,674	7,874,891	7,538,596	(336,295)	13,636,361
21	<b>Ministry of Agriculture</b>						
	1 Ministry Administration	2,670,133	2,670,133	2,670,133	2,479,536	(190,597)	2,782,324
	2 Crops and Livestock Support Services	1,645,418	1,645,418	1,645,418	1,478,270	(167,148)	1,837,232
	3 Fisheries	2,000	2,000	2,000	2,000	0	14,679
	4 Hydrometeorological Services	24,000	24,000	24,000	23,105	(895)	27,912
22	<b>Ministry of Tourism</b>						
	1 Policy Development and Administration	7,800	7,800	7,800	7,798	(2)	0
	2 Tourism Development	2,000	2,000	2,000	1,982	(18)	0
	3 Consumer Protection	5,600	5,600	5,600	5,600	0	0
23	<b>Ministry of Tourism, Commerce and Industry</b>						
	1 Main Office	0	0	0	0	0	41,554
	2 Ministry Administration	0	0	0	0	0	13,179
	3 Commerce, Industry & Consumer Affairs	235,064	235,064	235,064	235,064	0	616,743
24	<b>Ministry of Natural Resources &amp; The Environment</b>						
	1 Ministry Administration	0	0	0	0	0	1,450
	2 Natural Resource Management	0	0	0	0	0	25,000
	3 Environmental Management	0	0	0	0	0	38,266
25	<b>Ministry of Business</b>						
	1 Policy Development and Administration	8,050	8,050	8,050	5,479	(2,571)	0
	2 Business Development, Support and Promotion	361,320	361,320	361,320	233,065	(128,255)	0
31	<b>Ministry of Public Works</b>						
	1 Ministry Administration	0	0	0	0	0	26,394
	2 Public Works	3,391,201	3,391,202	3,391,202	3,368,935	(22,267)	11,800,101
	3 Transport	74,498	74,498	74,498	74,498	0	1,541,872
32	<b>Ministry of Public Infrastructure</b>						
	1 Policy Development and Administration	1,221,981	1,221,981	1,221,981	296,773	(925,208)	0
	2 Public Works	8,332,982	8,332,982	8,332,982	4,380,313	(3,952,669)	0
	3 Transport	288,327	288,327	288,327	243,246	(45,081)	0
40	<b>Ministry of Education</b>						
	1 Policy Development and Administration	17,000	17,000	17,000	10,514	(6,486)	0
	2 Training and Development	256,120	256,120	256,120	204,052	(52,068)	0
	3 Nursery Education	102,000	102,000	102,000	21,601	(80,399)	0
	4 Primary Education	97,974	97,974	97,974	65,303	(32,671)	0
	5 Secondary Education	412,694	412,694	412,694	243,530	(169,164)	0
	6 Post- Secondary/ Tertiary Education	689,537	689,537	689,537	651,794	(37,743)	0
	7 Cultural Preservation and Cons	22,800	22,800	22,800	19,623	(3,177)	0
	8 Youth	50,235	50,235	50,235	50,040	(195)	0
41	<b>Ministry of Education</b>						
	1 Main Office	0	0	0	0	0	12,891
	2 National Education Policy-Implementation Sup.	0	0	0	0	0	22,171
	3 Ministry Administration	0	0	0	0	0	35,012
	4 Training and Development	2,484	2,484	2,484	2,484	0	37,205
	5 Education Delivery	579,791	579,791	579,791	579,754	(37)	1,844,747
42	<b>Ministry of Communities</b>						
	1 Sustainable Communities Management	630,557	695,557	695,557	540,899	(154,658)	0
	2 Sustainable Communities Development	3,653,924	3,653,924	3,653,924	2,224,411	(1,429,513)	0
	C/F	32,581,164	32,646,165	32,725,382	24,988,265	(7,737,117)	34,355,091

Agency No.	Description	Approved	Revised	Total Funds	Actual	Under Total	Actual
		Allotment (Allotment 1) 2015	Allotment 2015	Available 2015	Expenditure 2015	Funds Available 2015	Expenditure 2014
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	B/F	32,581,164	32,646,165	32,725,382	24,988,265	(7,737,117)	34,355,091
43	<b>Ministry of Public Health</b>						
	1 Policy Development and Administration	19,858	19,858	19,858	15,245	(4,613)	0
	2 Disease Control	82,450	82,450	82,450	74,454	(7,996)	0
	3 Family Health Care Services	15,600	15,600	15,600	13,530	(2,070)	0
	4 Regional & Clinical Services	470,314	470,314	470,314	377,657	(92,657)	0
	5 Health Sciences Education	32,902	32,902	32,902	11,195	(21,707)	0
	6 Standards and Technical Service	21,500	21,500	21,500	18,050	(3,450)	0
	7 Disability & Rehabilitation Service	6,280	6,280	6,280	6,000	(280)	0
44	<b>Ministry of Culture, Youth and Sports</b>						
	1 Ministry Administration	0	0	0	0	0	10,108
	2 Culture	0	0	0	0	0	87,668
	3 Youth	16,732	16,732	16,732	16,732	0	70,763
	4 Sports	77,730	77,730	77,730	77,727	(3)	725,000
	5 Youth Entrepreneurial Skills Training	0	0	0	0	0	0
45	<b>Ministry of Housing and Water</b>						
	1 Housing & Water	2,059,371	2,059,371	2,059,371	2,058,091	(1,280)	8,375,434
46	<b>Georgetown Public Hospital Corporation</b>						
	1 Public Hospital	59,312	59,312	59,312	59,312	0	413,491
47	<b>Ministry of Health</b>						
	1 Ministry Administration	0	0	0	0	0	79,825
	2 Diseases Control	0	0	0	0	0	17,284
	3 Primary Health Care Services	0	0	0	0	0	9,912
	4 Regional & Clinical Services	74,809	74,809	74,809	74,809	0	827,193
	5 Health Sciences Education	5,502	5,502	5,502	5,501	(1)	15,969
	6 Standards & Technical Services	0	0	0	0	0	13,212
	7 Rehabilitation Services	0	0	0	0	0	576
48	<b>Ministry of Labour, Human Service &amp; Social Security</b>						
	1 Strategic Planning, Admin and Human Services	0	0	0	0	0	62,170
	2 Social Services	0	0	0	0	0	33,572
	3 Labour Administration	702	702	702	702	0	38,444
	4 Child Care and Protection	0	0	0	0	0	16,711
49	<b>Ministry of Social Protection</b>						
	1 Policy Development and Administration	9,000	9,000	9,000	8,980	(20)	0
	2 Social Services	18,200	18,200	18,200	12,756	(5,444)	0
	3 Labour Administration	17,300	17,300	17,300	11,243	(6,057)	0
	4 Child Care and Protection	31,300	31,300	31,300	23,258	(8,042)	0
51	<b>Ministry of Home Affairs</b>						
	1 Secretariat Services	0	0	0	0	0	817,354
	2 Guyana Police Force	55,821	55,821	55,821	55,814	(7)	689,400
	3 Guyana Prison Services	0	0	0	0	0	291,419
	4 Police Complaints Authority	0	0	0	0	0	930
	5 Guyana Fire Service	931	931	931	931	0	406,292
	6 General Register Office	0	0	0	0	0	5,998
	7 Custom Anti Narcotics Unit	0	0	0	0	0	6,539
52	<b>Ministry of Legal Affairs</b>						
	1 Main Office	0	0	0	0	0	2,004
	2 Ministry Administration	20,100	20,100	20,100	20,100	0	8,200
	3 Attorney General's Chambers	0	0	0	0	0	0
	4 State Solicitor	434	434	434	434	0	487
	5 Deeds Registry	0	0	0	0	0	0
53	<b>Guyana Defense Force</b>						
	1 Defence and Security Support	536,400	536,400	536,400	536,298	(102)	653,356
	C/F	36,213,712	36,278,713	36,357,930	28,467,084	(7,890,846)	48,034,402



Agency No.	Description	Approved	Revised	Total Funds	Actual	Under Total	Actual
		Allotment (Allotment 1) 2015	Allotment 2015	Available 2015	Expenditure 2015	Funds Available 2015	Expenditure 2014
		\$'000		\$'000	\$'000	\$'000	\$'000
	B/F	36,213,712	36,278,713	36,357,930	28,467,084	(7,890,846)	48,034,402
54	<b>Ministry of Public Security</b>						
	1 Policy Development and Administration	60,440	60,440	60,440	31,538	(28,902)	0
	2 Police Force	391,320	391,320	391,320	268,905	(122,415)	0
	3 Prison Service	101,003	101,003	101,003	87,682	(13,321)	0
	4 Police Complaint Authority	1,200	1,200	1,200	1,190	(10)	0
	5 Fire Service	132,064	132,064	132,064	94,174	(37,890)	0
	6 Customs Anti Narcotics Unit	0	0	0		0	0
55	<b>Supreme Court of Judicature</b>						
	1 Supreme Courts of Judicature	12,129	12,128	12,128	12,128	0	43,297
	2 Magistracy	19,924	19,923	19,923	19,920	(3)	61,962
56	<b>Public Prosecutions</b>						
	1 Public Prosecutions	0	0	0	0	0	4,984
57	<b>Office of the Ombudsman</b>						
	1 Ombudsman	0	0	0	0	0	0
58	<b>Public Service Appellate Tribunal</b>						
	1 Public Service Appellate Tribunal	0	0	0	0	0	3,322
59	<b>Ethnic Relations Commission</b>						
	1 Ethnic Relations Commission	0	0	0	0	0	0
60	<b>Judicial Service Commission</b>						
	1 Judicial Service Commission	0	0	0	0	0	0
61	<b>Rights Commission of Guyana</b>						
	1 Rights Commission of Guyana	0	0	0	0	0	0
62	<b>Public Procurement Commission</b>						
	1 Public Procurement Commission	0	0	0	0	0	0
71	<b>Region 1 - Barima/Waini</b>						
	1 Regional Administration & Finance	3,300	3,300	3,300	3,298	(2)	31,991
	2 Public Works	30,861	30,861	30,861	7,417	(23,444)	120,888
	3 Education Delivery	71,850	71,850	71,850	55,179	(16,671)	58,335
	4 Health Services	80,086	80,086	80,086	53,296	(26,790)	53,776
72	<b>Region 2 - Pomeroon/Supenaam</b>						
	1 Regional Administration & Finance	1,000	1,000	1,000	999	(1)	6,097
	2 Agriculture	72,540	72,540	72,540	58,010	(14,530)	152,999
	3 Public Works	62,670	62,670	62,670	53,081	(9,589)	94,187
	4 Education Delivery	75,140	75,140	75,140	61,721	(13,419)	65,498
	5 Health Services	69,990	69,990	69,990	41,865	(28,125)	84,603
73	<b>Region 3 - Essequibo Islands/West Demerara</b>						
	1 Regional Administration & Finance	3,500	3,500	3,500	3,497	(3)	8,100
	2 Agriculture	30,110	30,110	30,110	30,110	0	59,300
	3 Public Works	45,405	45,405	45,405	45,405	0	101,486
	4 Education Delivery	57,860	57,860	57,860	57,853	(7)	75,604
	5 Health Services	65,900	65,900	65,900	65,900	0	82,210
74	<b>Region 4 - Demerara/Mahaica</b>						
	1 Regional Administration & Finance	19,000	19,000	19,000	11,698	(7,302)	8,802
	2 Agriculture	9,293	9,293	9,293	8,291	(1,002)	38,448
	3 Public Works	48,150	48,150	48,150	43,600	(4,550)	63,478
	4 Education Delivery	130,200	130,200	130,200	47,320	(82,880)	74,121
	5 Health Services	30,744	30,744	30,744	16,566	(14,178)	43,684
	C/F	37,839,391	37,904,390	37,983,607	29,647,727	(8,335,880)	49,371,572

Agency No.	Description	Approved	Revised	Total Funds	Actual	Under Total	Actual
		Allotment (Allotment 1) 2015	Allotment 2015	Available 2015	Expenditure 2015	Funds Available 2015	Expenditure 2014
		\$'000		\$'000	\$'000	\$'000	\$'000
	B/F	37,839,391	37,904,390	37,983,607	29,647,727	(8,335,880)	49,371,572
75	<b>Region 5 - Mahaica/Berbice</b>						
	1 Regional Administration & Finance	12,850	12,850	12,850	12,781	(69)	8,316
	2 Agriculture	40,000	40,000	40,000	40,000	0	91,500
	3 Public Works	75,210	75,210	75,210	68,971	(6,239)	90,944
	4 Education Delivery	55,195	55,195	55,195	55,153	(42)	68,104
	5 Health Services	51,336	51,336	51,336	38,116	(13,220)	59,678
76	<b>Region 6 - East Berbice/Corentyne</b>						
	1 Regional Administration & Finance	7,300	7,300	7,300	7,258	(42)	12,892
	2 Agriculture	55,685	55,685	55,685	55,685	0	135,500
	3 Public Works	69,960	69,960	69,960	67,974	(1,986)	122,700
	4 Education Delivery	38,275	38,275	38,275	38,255	(20)	64,928
	5 Health Services	89,400	89,400	89,400	65,366	(24,034)	89,335
77	<b>Region 7 - Cuyuni/Mazaruni</b>						
	1 Regional Administration & Finance	13,300	13,300	13,300	13,298	(2)	4,000
	2 Public Works	28,410	28,410	28,410	26,056	(2,354)	34,100
	3 Education Delivery	50,744	50,744	50,744	47,134	(3,610)	57,760
	4 Health Services	45,630	45,630	45,630	45,574	(56)	54,984
78	<b>Region 8 - Potaro/Siparuni</b>						
	1 Regional Administration & Finance	14,365	14,365	14,365	14,001	(364)	10,985
	2 Public Works	53,475	53,475	53,475	25,356	(28,119)	48,216
	3 Education Delivery	44,425	44,425	44,425	29,268	(15,157)	64,309
	4 Health Services	42,454	42,454	42,454	39,148	(3,306)	42,291
79	<b>Region 9 - Upper Takatu/Upper Essequibo</b>						
	1 Regional Administration & Finance	21,500	21,500	21,500	20,277	(1,223)	9,944
	2 Agriculture	11,295	11,295	11,295	10,136	(1,159)	18,450
	3 Public Works	76,964	76,964	76,964	76,829	(135)	161,513
	4 Education Delivery	40,100	40,100	40,100	39,884	(216)	77,211
	5 Health Services	31,100	31,100	31,100	30,315	(785)	38,999
80	<b>Region 10 - Upper Demerara/Upper Berbice</b>						
	1 Regional Administration & Finance	28,500	28,500	28,500	21,498	(7,002)	7,500
	2 Public Works	96,257	96,257	96,257	62,322	(33,935)	139,885
	3 Education Delivery	69,600	69,600	69,600	38,213	(31,387)	67,161
	4 Health Services	45,900	45,900	45,900	28,291	(17,609)	60,842
<b>SUB TOTAL</b>		<b>39,048,621</b>	<b>39,113,620</b>	<b>39,192,837</b>	<b>30,664,886</b>	<b>(8,527,951)</b>	<b>51,013,620</b>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**STATEMENT OF EXPENDITURE IN RESPECT  
OF THOSE SERVICES WHICH BY LAW ARE  
DIRECTLY CHARGED UPON THE CONSOLIDATED FUND  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

Agency No.	Description	Wages and Salaries 2015	Employment Overhead Expenses 2015	Total Expenditure 2015	Total Expenditure 2014
		\$000	\$000	\$000	\$000
01	Office of the President	13,047	1,000	14,047	22,671
05	Ministry of Presidency	7,013	500	7,513	0
07	Parliament Office	161,652	71,476	233,128	372,464
09	Public and Police Service Commission	10,970	3,819	14,789	7,096
10	Teaching Service Commission	6,502	1,446	7,948	10,405
11	Elections Commission	24,045	10,337	34,382	60,256
51	Ministry of Home Affairs	12,834	6,883	19,717	15,579
54	Ministry of Public Security	7,485	665	8,150	0
55	Supreme Court of Judicature	0	0	0	112,124
56	Public Prosecutions	10,659	2,910	13,569	18,137
57	Office of the Ombudsman	8,987	2,069	11,056	15,186
58	Public Service Appellate Tribunal	0	0	0	0
	Sub-total	263,194	101,105	364,299	633,918
03	Ministry of Finance				
	Pension and Gratuities	3,346,491	0	3,346,491	3,234,360
	Payments to Dependent's Pension Fund	77,804	0	77,804	42,804
	Sub-total	3,424,295	0	3,424,295	3,277,164
90	Public Debt				
	Internal Principal	35,478	0	35,478	35,478
	Internal Interest	1,789,583	0	1,789,583	1,544,927
	External Principal	9,748,347	0	9,748,347	4,895,996
	External Interest	3,519,111	0	3,519,111	3,281,672
	Sub-total	15,092,519	0	15,092,519	9,758,074
	GRAND TOTAL			18,881,113	13,669,156

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**STATEMENT OF RECEIPTS AND PAYMENTS OF THE CONTINGENCIES FUND  
OF THE GOVERNMENT OF GUYANA  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015**

AMOUNT  
2015

\$'000

R E C E I P T S (Replenishment)

Financial Paper 1/2015 3,239,601

Total Receipts 3,239,601

P A Y M E N T S (Drawing Rights)

Warrant No.	Date of Warrant	Ministry/Department/Region	Amount
			\$'000
1	12/10/2015	Ministry of Agriculture	49,000
2	12/23/2015	Ministry of the Presidency	10,757
3	12/23/2015	Ministry of the Presidency	8,438
4	12/28/2015	Ministry of the Presidency	3,000
5	12/28/2015	Ministry of the Presidency	19,153
6	12/29/2015	Ministry of the Presidency	37,870
7	12/29/2015	Ministry of Public Security	13,600
8	12/29/2015	Guyana Defence Force	120,000
9	12/29/2015	Guyana Defence Force	100,000
10	12/29/2015	Guyana Defence Force	120,000
11	12/29/2015	Guyana Defence Force	10,000
12	12/29/2015	Guyana Defence Force	60,000
13	12/29/2015	Ministry of Agriculture	24,470
14	12/29/2015	Ministry of Agriculture	8,104
15	12/29/2015	Office of the Prime Minister	11,000
16	12/29/2015	Region 3	3,000
17	12/29/2015	Region 3	1,500
18	12/29/2015	Region 3	3,051
19	12/29/2015	Region 8	3,428
20	12/29/2015	Region 8	3,225
21	12/31/2015	Ministry of Tourism	102,000
22	12/31/2015	Ministry of Education	77,304
23	12/31/2015	Region 2	11,000
		Total Payments	<u>799,898</u>

Warrant No.	Date of Warrant	Ministry/Department/Region	Amount
			2015 \$'000
		Summary	
		Uncleared advances for 2011	79,619
		Uncleared advances for 2012	536,041
		Uncleared advances for 2014	2,623,941
		Add: Payments(Drawing Rights) Authorised in 2015	799,898
		Less: Replenishments	(3,239,601)
		Balance Outstanding as at 31/12/2015	<u>799,897</u>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**FINANCIAL REPORT OF THE DEPOSIT FUND  
FOR THE FISCAL YEAR ENDING 31 DECEMBER 2015**

Type of Deposit	Amount 2015 \$'000	Amount 2014 \$'000
Dependents Pension Fund	990,175	653,631
Sugar Industry Welfare Committee	50,691	50,691
Sugar Industry Welfare Labour Fund	1,087,705	1,166,859
Sugar Industry Rehabilitation Fund	72,432	72,432
Sugar Industry Price Stabilization Fund	14,033	14,033
Miscellaneous	3,931,045	4,936,886
<b>Total</b>	<b><u>6,146,081</u></b>	<b><u>6,894,532</u></b>

Type of Advances	Amount 2015 \$'000	Amount 2014 \$'000
Personal	14,024	12,255
Gratuity	1,162,001	938,531
Auto Advance	127,447	122,926
Guyana Gold Board	8,650,148	8,650,148
Imprest & Cash on Hand	1,207,697	877,550
Deposit Fund Advance Warrants	208,410	208,410
Crown Agents	401,831	395,427
Statutory and Other Bodies	1,554,456	1,554,456
<b>Total</b>	<b><u>13,326,014</u></b>	<b><u>12,759,703</u></b>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

**STATEMENT OF ASSETS AND LIABILITIES OF THE GOVERNMENT OF GUYANA**  
**AS AT 31 DECEMBER 2015**

	<u>Notes</u>	<u>2015</u> <u>\$'000</u>	<u>2015</u> <u>\$'000</u>	<u>2014</u> <u>\$'000</u>	<u>2014</u> <u>\$'000</u>
<b>ASSETS</b>					
<u>Central Government Bank Balances</u>					
<u>Consolidated Fund</u>					
New 407 Account		(53,788,173)		(47,262,876)	
Old 400 Account		(46,776,183)	(100,564,355)	(46,776,183)	(94,039,058)
LIS 11 Bank Account			0		277,610
WSG Bank A/c -Loan			41,119		103,250
WSG Bank A/c - TC841			0		0
WSG Bank A/c -TC 842			0		0
SMDR ATN/OC-1409-GY			0		0
2000 Series	2		11,483,159		14,178,145
Deposits Fund					0
General Account			0		0
Non-sub Accounting Ministries/Departments ( <i>Account # 3001</i> )			2,439,801		1,125,915
Other Ministries/Departments			19,598,661		18,674,243
Monetary Sterilisation Account	3		66,249,184		65,142,064
Redemption of T-Bills ( <i>Account # 404</i> )			(3)		0
Redemption of T-Bills ( <i>Account # 404</i> )					0
Total Assets			(752,435)		5,462,168
<b>LIABILITIES</b>					
<u>Treasury Bills</u>					
90 Days & K Series		8,397,884		6,968,631	
180 & 360 Days	3	66,948,108	75,345,991	65,671,488	72,640,119
Interest (Outstanding)					0
<u>Other Liabilities</u>					
Dependents Pension Fund		990,175		653,631	
Sugar Industry Welfare Committee		50,691		50,691	
Sugar Industry Welfare Labour Fund		1,087,705		1,166,859	
Sugar Industry Rehabilitation Fund		72,432		72,432	
Sugar Industry Price Stabilization Fund		14,033		14,033	
Miscellaneous		3,931,045	6,146,081	4,936,886	6,894,532
Total Liabilities			81,492,072		79,534,651
<b>NET LIABILITIES</b>					
			(82,244,507)		74,072,483

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag.)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

# Notes to and Forming Part of the Financial Statements

## **Note 1 Summary of Significant Accounting Policies**

### **1.1 Basis of Preparation**

The financial statements have been prepared in accordance with Guyana's Generally Accepted Accounting Standards and Principles. The modified cash basis of accounting convention is followed for determining when a financial transaction is recorded in the Government's records. This means, only when cash is paid or received is a transaction recorded.

The notes to the financial statements form an integral part to understanding the statements and must be read in conjunction with the statements.

The accounting policies have been applied consistently throughout the period.

### **1.2 Reporting Entity**

The financial statements are for the Government of Guyana. The Consolidated Financial statements comprise the accounts of Ministries and Departments of Government. They do not include Statutory Bodies and Wholly-owned subsidiaries.

The consolidated financial statements only include those entities that perform their accounting through the Integrated Financial Management and Accounting System. Various Ministries implement projects that are funded directly by donors either via loans or grants and accounted for separately, however, their gross transactions are recorded in the government's accounts via "dummy transactions". This would mean an actual timing difference between actual transaction and when captured in the Integrated Financial and Accounting System (IFMAS).

### **1.3 Cash**

Cash means notes and coins held and any deposits held at call with a bank or financial institution. Cash is recognized at its nominal amount. Interest is credited to revenue as it is received or to expense when it is deducted from the bank account.

### **1.4 Loans/Advances Receivable**

Loans are recognized at the amounts lent. Provision is made for bad loans when collection of the loan or part thereof is judged to be less rather than more likely. Interest, if charged, is credited to revenue as it is received. This is a slight variation from the cash basis of accounting.



### **1.5 Refunds of Previous Year Expenditures**

Expenditures refunded to the Consolidated Fund from previous years are recorded as revenue receipts in the current year and not as reductions of current year's expenditures. The banking effect also is what can be called a contra entry.

### **1.6 Capital Revenue**

Capital Revenue comprises mainly of loan, grant and debt relief proceeds. Loan proceeds are not recorded as a liability on the balance sheet but as capital revenue on the statement of receipts and payments. The Statement of Receipts and Disbursements (Capital) for the Ministry of Finance includes amounts for budget support that were not paid into the Consolidated Fund Bank account as at 31<sup>st</sup> December 2015 but were received in the respective 2000 Series Bank Accounts (refer to note 2).

### **1.7 Monetary Sterilization Account**

The purpose of the Monetary Sterilization Account is to remove excess liquidity from the financial system. The vehicle for performing this is that government issued 182 and 365 day Treasury Bills. The cost to the government is the interest charge on the redeemed T-bills as they come due. This is a statutory cost charged to internal interest expense. The monetary sterilization liability should be exactly offset by the monetary sterilization bank account, creating a fully funded liability.

### **1.8 Reporting Currency**

The reporting currency is Guyana Dollar (GY\$)

### **1.9 Authorization Date**

The financial statements were authorized for issue on April 29<sup>th</sup> 2016 by Mr. Winston Jordan, Minister of Finance.

### **Note 2 2000 Series Bank Accounts**

The 2000 series are a combination various project, grant, debt relief and balance of payment accounts. These accounts do not form part of the Consolidated Bank Account Number 01610000407, however, they are government funds. Please see Appendix 1 attached.

ACCT #	Description	31.12.15	31.12.14	Net Change
200810	Personal Investment Account	2,548,237	2,548,237	0
200830	Government of Guyana Project Account	0	25,527,903	(25,527,903)
200840	EEC Food Aid	0	109,763	(109,763)
200850	EEC Special Account	0	7,961,393	(7,961,393)
200860	Structural Adjustment	0	36,628,852	(36,628,852)
200870	Debenture Sinking Fund	0	233	(233)
200890	Chinese Commodity	0	3,021,560	(3,021,560)
200900	Accountant General RMBY Loan	0	267,870	(267,870)
200920	AG-GEC/WARTSILA Agreement Deposits - Guy Cooperative Agri. Dev.	0	127,138,320	(127,138,320)
200940	Bank	0	602	(602)
200950	Agricultural Sector Loan	0	77,293,617	(77,293,617)
200960	DIA	254,507,181	254,507,181	0
200990	Long Creek Settlement CIDA Project	0	10,959	(10,959)
201000	UK Programme Aid: GEA	0	474,481,581	(474,481,581)
201010	UK Programme Aid:Rice	0	55,421,123	(55,421,123)
201040	CDB/Gov't of Guy ERP Grant Ministry of Agriculture Rehabilitation	0	3,428,074	(3,428,074)
201050	Project	0	280,913,668	(280,913,668)
201080	Main Road Rehab Sub-Account 980	0	137,994	(137,994)
201090	SIMAP Pahse 2 Sub-Account Remedial Maintenance Project-Geo	0	213,750,000	(213,750,000)
201100	Sewerage	0	90,000	(90,000)
201110	Infrastructural Dev Fund Account Ministry of Finance/Financial Sector	0	371,573,494	(371,573,494)
201130	reform Programme Ministry of Finance-Agri Sector Prog	0	172,952,751	(172,952,751)
201160	965-SF/GY Japanese-Non Project Grant Aid	0	113	(113)
201180	Deposit	0	20,000,000	(20,000,000)
201230	Japanese Agricultural Grant	0	5,484,130	(5,484,130)
201280	Guyana/USA Economy Support Grant	0	199,913	(199,913)
201300	030 Stale Dated Cheques CARICOM Headquarters Buildings	7,257,850	7,257,850	0
201340	Project	15,340,845	15,340,845	0
	<b>TOTAL INACTIVE TO BE TRANSFERRED TO 407</b>	<b>279,654,113</b>	<b>2,156,048,026</b>	<b>(1,876,393,913)</b>
	<b>OLD ACCOUNTS</b>			
200880	Accountant General	3,018,523,985	2,485,231,995	533,291,990
200970	HIA	3,098,089	3,098,089	0
	IDB - Techinical Coop Small Projects			
200980	Swiss Fund	1,640,933	687,483	953,450

ACCT #	Description	31.12.15	31.12.14	Net Change
<b>New Accounts for 2004</b>				
201380	GOG/IDB Fiscal & Financial Management Programme	1,601,236,251	1,601,236,251	0
<b>New Accounts for 2005</b>				
201400	GOG/IBRD Global Fund-National Initiative to Accelerat Access...	12,611,060	17,235,936	(4,624,876)
201410	GOG/IBRD Global Fund-National Initiative to Accelerat Access...	0	271,267	(271,267)
201420	GOG/IBRD Global Fund for Tuberculosis	0	156,599	(156,599)
<b>New Accounts for 2006</b>				
201440	Multilateral Debt Relief	464,217,348	464,217,348	0
201450	Japanese Non-Project Grant Aid	66,023,589	66,023,589	0
<b>New Accounts for 2008</b>				
201490	Official Power Sector 1938	1,032,500,000	1,032,500,000	0
201500	Japanese Non-Project Grant Aid Year 21	185,723,514	185,723,514	0
201510	Official READ M of A Lo # 742 Gr # 8015	0	37,578,267	(37,578,267)
201520	Official Global Fund/MOH Mal/Reg 9	19,307,505	40,718,738	(21,411,233)
<b>New Accounts for 2010</b>				
201590	Off Global Fund / MOH TB	8,983,049	115,227	8,867,822
<b>New Accounts for 2012</b>				
201600	LCDS Institutional Strengthen	38,416,487	10,938,189	27,478,298
201610	Off-GFC LCDS Proj US Acct	0	0	0
<b>New Accounts for 2013</b>				
201620	Off-SBB LCDS US	18,869,970	1,245,195	17,624,775
<b>New Accounts for 2014</b>				
201630	Off-UAWARP MOA GUYLO#0001	10,189,954	2,344,192	7,845,762
201640	Off-SMDR ATM/OC-14039-GY CARICOM MULTILATERAL	35,034,480	53,047,785	(18,013,305)
201650	CLEARING FACILTY WRITE OFF	4,454,005,132	5,938,673,526	(1,484,668,394)
201660	Off- SEPG-GRT/FM-13897-GY	7,098,204	1,032,500	6,065,704
201680	OFF- IDB/GOG IMPL. SEC. STRAT	56,663,311	80,020,815	(23,357,504)
<b>New Accounts for 2015</b>				
201681	OFF-GUY FOR TNC UNEP US\$	10,325,000		10,325,000
201682	OFF-GUY LCDS OUTREACH US\$	6,678,210		6,678,210
201684	OFF-AOG PEU 14809	48,966,313		48,966,313
201685	OFF- PPM FMS ATN/OC 14815-GY	15,487,500		15,487,500
201686	OFF-EARLY CHILDHOOD EDUCATION JAPANESE NON-PROJECT GRANT	82,367,687		82,367,687
201970	AID YEAR 2013	5,537,077		5,537,077
<b>TOTAL ACTIVE</b>		<b>11,203,504,648</b>	<b>12,022,096,505</b>	<b>(818,591,857)</b>
<b>TOTAL (ACTIVE &amp; INACTIVE)</b>		<b>11,483,158,761</b>	<b>14,178,144,531</b>	<b>(2,694,985,770)</b>

### **Note 3 Monetary Sterilization Account**

The Monetary Sterilization account represents the cash held to offset the retiring of the liability. The difference of \$699M relates to unpaid discounts to the Bank of Guyana by the Government of Guyana, as per schedule of reconciliation submitted.

### **Note 4 Old Agency - New Agency Mapping**

The 2015 National Budget was presented to the National Assembly with the merging of several Ministries and Departments into new Ministries. Please see Appendix 2 for details.

#### **Appendix 2**

#### Old Agency - New Agency Mapping

Old Agency Code	Old Agency	New Agency Code	New Agency
1	Office of the President	5	Ministry of Presidency
24	Ministry of Natural Resources and Environment		
14	Public Service Ministry		
16	Ministry of Amerindian Affairs	17	Ministry of Indigenous People's Affairs
23	Ministry of Tourism, Commerce & Industrial Dev	22	Ministry of Tourism
		25	Ministry of Business
31	Ministry of Public Works	32	Ministry of Public Infrastructure
41	Ministry of Education	40	Ministry of Education
44	Ministry of Culture, Youth & Sport		
13	Ministry of Local Government	42	Ministry of Communities
45	Ministry of Housing & Water		
46	Georgetown Public Hospital Corporation		
47	Ministry of Health	43	Ministry of Public Health
48	Ministry of Labour, Human Services & Social Security	49	Ministry of Social Protection
51	Ministry of Home Affairs	54	Ministries of Public Security

**Note 5 Constitutional Agency.**

In accordance with Article 222A of the Constitution, the National Assembly approved the formation of a number of Constitutional Agencies. Please see Appendix 3 for a list of all Constitutional Agencies.

Appendix 3

Constitutional Agencies

Agency Code	Agency
07	Parliament Office
08	Audit Office
09	Public & Police Service Commissions
10	Teaching Service Commission
11	Elections Commission
55	Supreme Court of Judicature
56	Department of Public Prosecutions
57	Office of the Ombudsman
58	Public Service Appellate Tribunal
59	Ethnic Relations Commission
60	Judicial Service Commission
61	Rights Commission of Guyana
62	Public Procurement Commission

**STATEMENT OF PUBLIC DEBT  
AS AT 31 DECEMBER 2015**

**SUMMARY SHEET**

DESCRIPTION	EXTERNAL	INTERNAL	TOTAL
	G\$'000	G\$'000	G\$'000
UNFUNDED	232,096,692	38,641,132	270,737,824
FUNDED	0	3,898,537	3,898,537
<b>SUB TOTAL</b>	<u>232,096,692</u>	<u>42,539,669</u>	<u>274,636,361</u>
SHORT-TERM Treasury Bills (91 days & K Series)	0	8,884,450	8,884,450
MEDIUM -TERM Treasury Bills (182 & 365 days)	0	68,552,150	68,552,150
<b>GRAND TOTAL</b>	<u><u>232,096,692</u></u>	<u><u>119,976,269</u></u>	<u><u>352,072,961</u></u>

COL. J. PERSAUD  
ACCOUNTANT GENERAL (ag)

HON. WINSTON D. JORDAN  
MINISTER OF FINANCE

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b					
					a	b	a	b						
<b>INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA)</b>														
Secondary Schools Reform Project Credit No. 2879-0 GUA	SDR	2,081	1,728	0	42	11	42	11	53	0	1,686	484,127	The borrower shall repay the principal amount, the credit in semi-annual installments payable after 1 October 2006 and ending 1 April, 2036.	
Water Supply and Technical Assistance Credit No. 2559-0 GUA	SDR	2,606	1,590	0	84	11	84	11	95	0	1,506	432,441	Repayments commence on 1/6/2004 in 60 semi-annual installments and ends 1/12/2033. Int. rate each installment and including int. payable on 1/12/2013 shall be 1% of principal and 2% on bal. outstanding.	
Public Sector Technical Assistant Project Credit No. 3726 - GY	SDR	3,600	2,323	0	48	18	48	18	66	0	2,275	653,256	This loan shall be repaid in semi annual installments commencing 15 June 2013 ending 15 December 2042.	
Improving Teachers Education Project 4803-GY	SDR	2,800	2,511	274	0	21	0	21	21	0	2,785	799,700	The borrower shall repay the principal amount, the credit in semi-annual installments payable on 1 June 2015 and ending 1 June, 2030.	
University of Guyana Science & Technology Support Project 4969- GY	SDR	6,200	1,518	2,201	0	17	0	17	17	0	3,719	1,067,894	The borrower shall repay the principal amount, the credit in semi-annual installments payable on 1 December 2021 and ending 1 June 2031.	
Secondary Education Improvement Project - 5473 - GY	SDR	6,500	138	730	0	9	0	9	9	0	868	249,242	Repayment commencing June 1, 2019 to and including December 1, 2028 at 1.65% of Principal amount of credit and commencing June 1, 2029 to and including December 1, 2038. at 3.35% of Principal amount of credit.	
Flood Risk Management Project - 5474 - GY	SDR	7,700	0	1,909	0	7	0	7	7	0	1,909	548,161	Repayment commencing December 1, 2019 to and including June 1, 2029 at 1.65% of Principal amount of credit and commencing December 1, 2029 to and including June 1, 2039. at 3.35% of Principal amount of credit.	
Additional financing for University of Guyana Science and Technology Support Project-5753	SDR	2,700	0	0	0	0	0	0	0	0	0	0	0	Repayment commencing June 1, 2021 to and including December 1, 2030 at 1.65% of Principal amount of credit and commencing June 1, 2031 to and including December 1, 2040. at 3.35% of Principal amount of credit.
<b>Caribbean Development Bank (CDB)</b>														
Caribbean Court of Justice 01/SFR-OR-GUY (OCR)	USD	4,400	3,245	0	220	120	220	120	340	0	3,025	624,663	80 equal quarterly repayments beginning 1 October, 2009, ending 1 July, 2029.	
Caribbean Court of Justice 01/SFR-OR-GUY (SFR)	USD	4,400	3,245	0	220	63	220	63	283	0	3,025	624,663	80 equal quarterly repayments beginning 1 October, 2009, ending 1 July, 2029.	
Third Road Project 2/SFR-OR-GUY (OCR)	USD	9,102	5,754	0	511	211	511	211	722	0	5,243	1,082,680	68 equal quarterly repayments beginning 1 July, 2009, ending 1 April, 2026.	
Third Road Project 2/SFR-OR-GUY (SFR)	USD	10,000	9,500	0	500	186	500	186	686	0	9,000	1,858,500	80 equal quarterly repayments beginning 1 January, 2014, ending 1 October, 2033.	
Skeldon Sugar Modernisation 3/SFR-OR-GUY (OCR)	USD XEU	14,321	9,713 0	0 0	845 0	360 0	845 0	360 0	1,205 0	0 0	8,868 0	1,831,242 0	68 equal quarterly repayments beginning 1 July, 2009, ending 1 April, 2026.	
Skeldon Sugar Modernisation 3/SFR-OR-GUY (SFR)	USD XEU	14,035	13,236 0	0 0	697 0	259 0	697 0	259 0	956 0	0 0	12,539 0	2,589,304 0	80 equal quarterly repayments beginning 1 January, 2014, ending 1 October 2033.	
Reconstruction of Sea Defences (2nd Loan) 4/SFR-OR-GUY (OCR)	USD	3,684	2,600	0	217	96	217	96	313	0	2,383	492,090	68 equal quarterly repayments beginning 1 January, 2010, ending 1 October 2026.	
<b>C/F</b>												<b>13,337,960</b>		

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL a	INTEREST b	PRINCIPAL a	INTEREST b	TOTAL PAYMENT 8=7a+7b				
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>13,337,960</b>	
Reconstruction of Sea Defences (2nd Loan) 4/SFR-OR-GUY (SFR)	USD	3,249	3,249	0	162	64	162	64	226	0	3,087	637,466	80 equal quarterly repayments beginning 1 January, 2015, ending 1 October 2034.
Community Services Enhancement Project 5/SFR-OR-GUY (OCR)	USD	3,580	2,842	0	211	105	211	105	316	0	2,631	543,302	68 equal quarterly repayments beginning 1 July, 2011, ending 1 April 2028.
Community Services Enhancement Project 5/SFR-OR-GUY (SFR)	USD	9,453	9,453	0	0	189	0	189	189	0	9,453	1,952,045	80 equal quarterly repayments beginning 1 October, 2016, ending 1 July 2036.
Community Roads Improvement Programme 6/SFR-OR-GUY (OCR)	USD	4,015	3,310	542	0	133	0	133	133	0	3,852	795,438	68 equal quarterly repayments beginning 1 April, 2016, ending 1 October 2033.
Community Roads Improvement Programme 6/SFR-OR-GUY (SFR)	USD	12,277	12,079	191	0	241	0	241	241	0	12,270	2,533,755	80 equal quarterly repayments beginning 1 April, 2021, ending 1 January 2041.
CDB Debt Service to EEC Wisco 6/SFR-R	XEU	600	176	0	21	2	21	2	23	0	155	34,853	Annuity base repayment semi annually beginning 1 January, 1994.
Fourth Road Project W.C.D. Road Improvement 7/SFR-OR-GUY (OCR)	USD	9,200	2,027	1,444	0	133	0	133	94	0	3,471	716,762	68 equal quarterly installments beginning 1 April, 2019.
Fourth Road Project W.C.D. Road Improvement 7/SFR-OR-GUY (SFR)	USD	25,000	4,784	4,291	0	71	0	71	71	0	9,075	1,873,988	80 equal quarterly repayments beginning 1 April, 2023.
Economic Recovery Programme 7/SFR-GUY	USD	42,000	22,050	0	1,400	431	1,400	431	1,831	0	20,650	4,264,225	120 equal quarterly repayments beginning 30 September, 2000, ending 1 July 2030.
Sea Defence West Coast Berbice 8/SFR-GUY	USD	7,180	4,817	0	241	95	241	95	336	0	4,576	944,944	120 equal quarterly repayments beginning 31 December, 2004, ending 1 October 2034.
Sea and River Defence Resilience Project - 8 SFR-OR-GUY - OCR	XEU	0	0	0	0	0	0	0	0	0	0	0	0
Sea and River Defence Resilience Project - 8 SFR-OR-GUY - OCR	USD	2,900	0	38	0	21	0	21	0	0	38	7,847	68 Equal or approximately equal and consecutive quartly installments on each due date commencing on the first due date after the expiry of five years following the date of this loan agreement or on such later due date as the Bank may specify in writing.
Sea and River Defence Resilience Project - 8 SFR-OR-GUY - SFR	USD	22,100	0	0	0	0	0	0	0	0	0	0	80 Equal or approximately equal and consecutive quartly installments on each due date commencing on the first due date after the expiry of ten years following the date of this loan agreement or on such later due date as the Bank may specify in writing.
Drainage and Irrigation 9/SFR-GUY	USD	5,026	4,648	0	168	92	168	92	260	0	4,480	925,120	120 equal quarterly repayments beginning 1 October, 2012, ending 1 July 2042.
Second Road Project 10/SFR-GUY	USD	10,702	8,115	0	357	160	357	160	517	0	7,758	1,602,027	120 equal quarterly repayments beginning 30 September, 2007, ending 1 July 2037.
Water Rehabilitation Project 11/SFR-GUY	USD	8,801	6,529	0	293	128	293	128	421	0	6,236	1,287,734	120 equal quarterly repayments beginning 31 March 2007, ending 1 January 2037.
Poor Rural Community Support Services 13/SFR-GUY	USD	5,100	4,335	0	255	85	255	85	340	0	4,080	842,520	80 equal quarterly repayments beginning 1 January, 2012, ending 1 October 2031.
Natural Disaster Management 17/SFR-GUY	USD	500	324	0	29	6	29	6	35	0	295	60,918	68 equal quarterly repayments beginning 1 January, 2009, ending 1 October 2025.
<b>C/F</b>												<b>32,360,901</b>	



NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015		ACTUAL DEBT SERVICE COST PAID IN 2015			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10 10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b	8=7a+7b				
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>32,360,901</b>	
Enhancement of Tech., Voc., Edu. Training Prog (TVEI) 18/SFR-GUY	USD	7,500	7,034	390	0	146	0	146	146	0	7,424	1,533,056	80 equal quarterly repayments beginning 1 July, 2020, ending 1 April 2040.
Sugar Industry Mechanisation Project 9/SFR-OR-GUY-OCR	USD	662	0	1	0	1	0	1	1		1	207	Repayment 68 equal or approximately equal and consecutive quarterly instalments
Sugar Industry Mechanisation Project 9/SFR-OR-GUY-SFR	USD	6,838	0	0	0	0	0	0	0		0	0	Repayment 80 equal or approximately equal and consecutive quarterly instalments.
<b>CARICOM DEVELOPMENT FUND (CDF)</b>													
Upgrade Weather Access Roads- Region #3, Parika and Ruby & Upgrade Fair- Weather Access Dams - Kuru Kuru to Laluni, Region 4 and Onvergwagt	USD	6,224	930	3,498	0	75	0	75	75	0	4,428	914,382	This loan amounts to US\$7,317,996 comprising of two components. The first component shall be repaid in quarterly installments at an annual interest rate of 3.0% per annum. First repayment 30 March, 2015 and ending 30 December, 2030. The second component amounting to US\$2,657,789 is considered as a grant and shall not be repaid.
<b>INTER-AMERICAN DEVELOPMENT BANK (IDB)</b>													
Health Care Delivery Programme Loan No. 544-SF/GY	USD	1,257	167	0	42	3	42	3	45	0	125	25,813	Interest is calculated at 9% per annum on the outstanding bal. until 24-11-88 & thereafter at 2% per annum. Credit Commission Commitment fee is charged at 0.5% per annum on the undisbursed bal. Interest and credit commission fees are payable on 24-05 and 24-11 each year effective from 24-11-79. The principal shall be repaid by half yearly repayments on 5-4 and 40 yrs loan with an initial grace period of 10 yrs. 60 semi-annual instalments beginning 8-10-2002. Int. rate of 1% for first 10 years thereafter. Final installment payable on 8.10.2032.
Food Crop Production Marketing Programme - Loan No. 583/SF - GY	USD	1,600	294	0	53	6	53	6	59	0	241	49,767	Principal repayable in 60 semi-annual installments from 6-7-90 to 6-1-2020. Interest is calculated at 1% per annum on the outstanding bal. of the loan until 6-1-90 and thereafter 20% per annum and payable on 6-1 and 6-7 each year w.e.f 6-7-80. A credit commission commitment fee is also charged.
Main Road Rehabilitation - Transportation Loan No. 999/SF-GY	USD JPK	41,000	9,709 38,901	0	413 1,655	192 770	413 1,655	192 770	605 2,425	0 0	9,296 37,246	1,919,624 64,253	This loan shall be completely repaid by the Borrower by means of 60 semi-annual, equal installments. Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 18 March 2008 and 2% per annum thereafter.
Urban Development Programme Loan No. 1021/SF-GY	USD CAD DKK XEU	20,000	4,654 617 1,720 311	0	190 25 70 13	92 12 34 6	190 25 70 13	92 12 34 6	282 37 104 19	0 0 0 0	4,464 592 1,650 298	921,816 87,994 49,843 67,008	Loan to be repaid in 60 equal semi-annual installments beginning 13 September 2009 and ending 13 September 2039.
Transportation - Loan No. 1042-1/SF-GY	USD XEU	20,200	0 8,456	0	0 332	0 167	0 332	0 167	0 499	0 0	0 8,124	0 1,826,745	The loan shall be completely repaid by the Borrower by means of 60 semi-annual equal installments. Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 4 February 2010 and 2% per annum thereafter.
Transportation - Loan No. 1042-2 /SF-GY	USD	9,800	1,577	0	62	31	62	31	93	0	1,515	312,848	The loan shall be completely repaid by the Borrower by means of 60 semi-annual equal installments. Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 4 February 2010 and 2% per annum thereafter.
<b>C/F</b>												<b>40,134,254</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL a	INTEREST b	PRINCIPAL a	INTEREST b	TOTAL PAYMENT 8=7a+7b				
<b>B/F</b>												<b>40,134,254</b>	
Low Income Settlement Programme Loan No. 1044/SF-GY	USD XEU XEU	27,000	5,632 75 2,179	0 0 0	221 3 85	112 1 43	221 3 85	112 1 43	333 4 128	0 0 0	5,411 72 2,094	1,117,372 16,190 470,852	This loan shall be completely repaid in 60 semi-annual installments. The first shall be paid on 2010-12-14.
Georgetown Sewerage and Water Rehabilitation Loan No. 1047/SF-GY	USD XEU	27,000	11,002 106	0 0	432 4	218 2	432 4	218 2	650 6	0 0	10,570 102	2,182,705 22,936	60 Semi annual equal installments commencing 2010-12-14 and to be concluded 2040-06-14. Disbursements shall expire 5 years from the effective date of contract.
Environmental Protection Loan No. 1052/SF-GY	USD	900	319	0	12	6	12	6	18	0	307	63,396	The loan shall be completely repaid by the Borrower by means of 60 semi-annual equal installments. Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 24 May 2010 and 2% per annum thereafter.
Social Impact Amelioration Prog Simap111- Loan No.1085	USD	20,000	12,431	0	452	246	452	246	698	0	11,979	2,473,664	The first installment shall be paid on 15th July 2012 & interest shall be paid semi-annually at 1% until January 15 2012 & 2% thereafter. Loan to be closed 2042/01/15.
Mahaica- Rosignol Road Rehabilitation Project Loan No.1094	USD XEU CAD	40,000	5,982 1,460 3,844	0 0 0	217 53 140	119 29 76	217 53 140	119 29 76	336 82 216	0 0 0	5,765 1,407 3,704	1,190,473 316,375 550,558	The first installment shall be paid on 15th July 2012 & interest shall be paid semi-annually at 1% until January 15 2012 & 2% thereafter. Loan to be closed 2042/01/15 this loan had cancellation in 08.
Unservd Areas Electrification Prog Loan No.1103	USD XEU	34,400	15,585 1,888	0 0	557 67	309 37	557 67	309 37	866 104	0 0	15,028 1,821	3,103,282 409,466	This loan shall be repaid semi-annual consecutive equal installments. The first installment shall be paid on 3 March 2013 & last installment 3 September 2042.
Basic Education Access Management Support Loan No. 1107	USD CAD JPK	33,500	18,497 4,872 89,072	0 0 0	661 174 3,181	367 97 1,765	661 174 3,181	367 97 1,765	1,028 271 4,946	0 0 0	17,836 4,698 85,891	3,683,134 698,305 148,170	This loan shall be completed by 60 semi-annual, consecutive equal installments w.e.f 2013-01-25 to 2042-07-25
Basic Nutrition Programme Loan No. 1120 SF-GY	USD	5,000	4,144	0	145	82	145	82	227	0	3,999	825,794	This loan shall be repaid in 60 semi-annual installments. The first payment on 19 November 2013 and last on 19 May 2043. Disbursement shall expire 4 years from the effective date of contract.
Social Statistics and Policy Analysis Program Loan No.1516/SF-GY	USD	3,450	2,720	0	92	54	92	54	146	0	2,628	542,682	The first installment shall be paid on 24th September 2014 and interest shall be paid semi-annually at 1% until March 24 2014 and 2% thereafter. Loan to be closed 2044/03/24.
Health Sector Programme Loan No.1548/SF-GY	USD	23,000	23,000	0	383	346	383	346	729	0	22,617	4,670,411	The loan shall be completely repaid by the borrower by means of semi-annual consecutive, and insofar as possible equal installments no later than May 27,2045.
Fiscal & Financial Management Prog Loan No. 1550/SF-GY	USD	15,000	5,114	0	170	101	170	101	271	0	4,944	1,020,936	Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 30/7/2044 and 2% per annum thereafter.
Fiscal & Financial Management Prog Loan No. 1551/SF-GY	USD CAD CAD GBP	13,000	9,115 2,711 109 389	0 0 0 0	304 90 4 13	181 54 2 8	304 90 4 13	181 54 2 8	485 144 6 21	0 0 0 0	8,811 2,621 105 376	1,819,472 389,582 15,607 115,045	Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 30/7/2044 and 2% per annum thereafter.
New Amsterdam Road Project Loan No.1554/SF-GY	USD XEU	37,300	36,173 843	0 0	603 14	543 13	603 14	543 13	1,146 27	0 0	35,570 829	7,345,205 186,407	Loan shall be repaid semiannual, consecutive equal installments. The first installment on 6 Dec. 2015 and last installment 6 June 2045.
Agriculture Support Services Prog Loan No. 1558/SF-GY	USD	22,500	16,911	0	564	335	564	335	899	0	16,347	3,375,656	This loan shall be repaid semi-annual consecutive and in so far possible equal installments. The first installment shall be paid on the 24 March 2015 and the last 24 March 2044. The first interest shall be made on 24 March 2005.
<b>C/F</b>												<b>76,887,925</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8				
					a	b	a	b	8=7a+7b				
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>76,887,925</b>	
Public Management Modernisation Program Loan No.1604/SF-GY	USD	5,000	3,017	0	50	45	50	45	95	0	2,967	612,686	The loan shall be repaid semi-annual, consecutive and equal installments. The first installment 15 Dec.2015 and last installment 15 June 2045.
Georgetown Solid Waste Mng. Prog. Loan No. 1730/SF- GY	USD	18,070	14,431	757	0	161	0	161	161	0	15,188	3,136,322	The borrower shall repay this loan in 60 semi-annual installments commencing on the 22 August 2017 ending 22 February 2047 and Int. at 1% per annum for first 10 years 2007 and 2% thereafter beginning 22 April 2017.
Georgetown Solid Waste Mng. Prog. Loan No. 1731/SF- GY	USD	2,500	0	0	0	6	0	6	6	0	0	0	This loan shall be completely repaid by the Borrower by means of semi-annual, equal installments during a period equivalent to the remaining validity period of the Guarantee. The loan shall be completely repaid by the Borrower by means of two semi-annual, consecutive equal installments.The first shall be paid on 22-08-17 and the last no later than 22-02-18. Interest shall be paid semi-annually on the outstanding daily balance of the loan at the rate of 1% per annum until 22 February 2017 and 2% per annum thereafter.
Prog. For Modernisation of Justice Admin. Loan No. 1745/SF- GY	USD	15,000	15,000	0	0	150	0	150	150	0	15,000	3,097,500	Loan shall be repaid semi-annual, consecutive equal installments. The first installment on 6 Jun. 2017 and last installment 6 June 2057.
Prog. For Modernisation of Justice Admin. Loan No. 1746/SF- GY	USD	10,000	9,994	0	0	100	0	100	100	0	9,994	2,063,761	Loan shall be repaid in 60 semi-annual, consecutive equal installments. The first installment on 20 September 2017 and last installment 20 March 2047.
Support For Competitiveness Loan No. 1750/SF- GY	USD	18,000	18,000	0	0	180	0	180	180	0	18,000	3,717,000	Loan shall be repaid in 60 semi-annual installments commencing on 20 September 2017 ending 20 March 2047 and Int. at 1% per annum for first 10 years and 2% thereafter beginning 20 September 2017.
Support For Competitiveness Loan No. 1751/SF- GY	USD	8,650	6,729	715	0	78	0	78	78	0	7,444	1,537,186	Loan shall be repaid in 60 semi-annual installments commencing on 20 September 2017 ending 20 March 2047 and Int. at 1% per annum for first 10 years and 2% thereafter beginning 20 September 2017.
Citizen Security Programme Loan No. 1752/SF- GY	USD	19,800	19,799	0	0	198	0	198	198	0	19,799	4,088,494	Loan shall be repaid in 60 semi-annual, consecutive equal installments. The first installment on 31 July 2018 and last installment 31 January 2047. and int at 1% per annum until the 31 January 2018 and 2% thereafter.
Transport Infrastructure Rehab. Prog. Loan No. 1803/SF- GY	USD	27,000	24,180	0	0	242	0	242	242	0	24,180	4,993,170	Loan shall be repaid in 60 semi-annual, consecutive equal installments. The first installment on 11 January 2018 and last installment 11 July 2047. and int at 1% per annum until the 11 January 2018 and 2% thereafter.
Agricultural Export Diversification Programme Loan No 1929/BL - GY	USD	10,450	10,448	0	0	26	0	26	26	0	10,448	2,157,512	This loan shall be repaid in a 1 shot payment on 6 April 2048 and Int. is 0.25% per annum.
Agricultural Export Diversification Programme Loan No 1929/BL - GY	USD	10,450	10,048	0	428	473	428	473	901	0	9,620	1,986,530	This loan shall be repaid by consecutive and equal installments. The 1st installment due 6 yrs from the date of this contract and the last 30 yrs from the said date.
Power Sector Support Programme Loan No 1938/ BL - GY	USD	6,000	6,000	0	0	15	0	15	15	0	6,000	1,239,000	This loan shall be repaid in a 1 shot payment on 6 April 2048 and Int. is 0.25% per annum.
<b>C/F</b>												<b>105,517,085</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>105,517,085</b>	
Power Sector Support Programme Loan No 1938/ BL - GY	USD	6,000	5,755	0	245	250	245	250	495	0	5,510	1,137,815	This loan shall be repaid in semi-annual consecutive and equal installments. The 1st installments beginning 6 April 2014 ending 6 April 2038.
Financial Sector Reform Prog. 2091/ BL - GY Fixed	USD	2,500	2,449	0	102	132	102	132	234	0	2,347	484,656	This loan shall be repaid in semi-annual consecutive and equal installments. First installments beginning 12 December 2014 and ending 12 December 2038. Int is 5.54% per annum.
Financial Sector Reform Prog. 2091/ BL - GY Fixed	USD	2,500	2,500	0	0	6	0	6	6	0	2,500	516,250	This loan shall be repaid in a 1 shot payment on 12 December 2048 and Int. is 0.25% per annum.
Urban Development of Housing Prog. 2102 / BL - GY	USD	13,950	13,898	20	568	321	568	321	889	0	13,350	2,756,775	This loan shall be repaid in a 1 shot payment on 17 April 2048 and Int. is 0.25% per annum.
Urban Development of Housing Prog. 2102 / BL - GY	USD	13,950	13,898	20	0	35	0	35	35	0	13,918	2,874,067	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 17 April 2015 and ending 17 April 2039. Int is 4.66% per annum.
Transportation Rehab Project 2215 / BL-GY	USD	12,400	8,622	0	0	247	0	247	247	0	8,622	1,780,443	This loan shall be repaid in a 1 shot payment on 21 March 2050 and Int. is 0.25% per annum.
Transportation Rehab Project 2215 / BL-GY	USD	12,400	8,622	0	0	21	0	21	21	0	8,622	1,780,443	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 21 March 2016 and ending 21 March 2020.
Capital Markets Prog. 2235 / BL - GY	USD	2,500	2,500	0	51	113	51	113	164	0	2,449	505,719	This loan shall be repaid in a 1 shot payment on 23 November 2049 and Int. is 0.25% per annum.
Capital Markets Prog. 2235 / BL - GY	USD	2,500	2,500	0	0	6	0	6	6	0	2,500	516,250	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 23 November 2015 and ending 23 November 2039. Int is 4.28% per annum.
Health Sector Reform Prog. 2270 / BL-GY	USD	2,500	942	0	0	15	0	15	15	0	942	194,523	This loan shall be repaid in a 1 shot payment on 17 February 2050 and Int. is 0.25% per annum.
Health Sector Reform Prog. 2270 / BL-GY	USD	2,500	942	0	0	2	0	2	2	0	942	194,523	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 23 February 2016 and ending 17 February 2040. Int is 4.66% per annum.
Water and Sanitation Rehab. Proj. 2326 / BL - GY	USD	1,000	1,000	0	0	34	0	34	34	0	1,000	206,500	This loan shall be repaid in a 1 shot payment on 26 July 2050 and Int. is 0.25% per annum.
Water and Sanitation Rehab. Proj. 2326 / BL - GY	USD	1,000	1,000	0	0	3	0	3	3	0	1,000	206,500	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 26 July 2016 and ending 26 July 2040. Int is 4.66% per annum.
Water and Sanitation Rehab. Proj. 2428 / BL - GY	USD	4,750	4,750	0	0	181	0	181	181	0	4,750	980,875	This loan shall be repaid in a 1 shot payment on 8 December 2050 and Int. is 0.25% per annum.
Water and Sanitation Rehab. Proj. 2428 / BL - GY	USD	4,750	4,750	0	0	12	0	12	12	0	4,750	980,875	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 8 December 2016 and ending 8 December 2040.
Private Sector Development Prog. 2441 / BL - GY	USD	2,500	2,500	0	0	131	0	131	131	0	2,500	516,250	This loan shall be repaid in a 1 shot payment on 9 November, 2050 and Int. is 0.25% per annum.
<b>C/F</b>												<b>121,149,548</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10 10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>121,149,548</b>	
Private Sector Development Prog. 2441 / BL - GY	USD	2,500	2,500	0	0	6	0	6	6	0	2,500	516,250	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 9 November 2016 and ending 9 November 2040. Int is 4.99% per annum.
Transportation Rehab. Proj. 2454 / BL-GY	USD	10,000	9,000	0	0	328	0	328	328	0	9,000	1,858,500	This loan shall be repaid in a 1 shot payment on 8 December 2050 and Int. is 0.25% per annum.
Transportation Rehab. Proj. 2454 / BL-GY	USD	10,000	9,000	0	0	22	0	22	22	0	9,000	1,858,500	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 8 December 2016 and ending 8 December 2020.
Linden Water Supply Rehabilitation Prog 2535 BL-GY	USD	6,000	5,201	571	0	13	0	13	13	0	5,772	1,191,918	This loan shall be repaid in a 1 shot payment on 9 November 2050 and Int. is 0.25% per annum.
Linden Water Supply Rehabilitation Prog 2535 BL-GY	USD	6,000	5,201	571	0	175	0	175	175	0	5,772	1,191,918	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 13 July 2017 and ending 13 July 2041.
New Energy Programme 2567 BL-GY	USD	2,500	1,538	-450	0	19	0	19	19	0	1,088	224,672	This loan shall be repaid in a 1 shot payment on 23 September 2051 and Int. is 0.25% per annum.
New Energy Programme 2567 BL-GY	USD	2,500	1,538	-450	0	3	0	3	3	0	1,088	224,672	This loan shall be repaid in semi-annual consecutive and equal installments. First installment beginning 23 September 2017 and ending 23 September 2041. Int is 4.66% per annum.
Road Network Upgrade & Expansion Prog 2741 BL-GY	USD	33,100	2,905	-2,200	0	6	0	6	6	0	705	145,583	This loan shall be repaid semi-annually. First installment beginning 15 March 2019 and ending 15 March 2043.
Road Network Upgrade & Expansion Prog 2741 BL-GY	USD	33,100	2,905	-2,200	0	103	0	103	103	0	705	145,583	This loan shall be repaid semi-annually. One shot repayment beginning and ending 15 March 2049.
Environment Sector Strengthening Prog 3106 BL-GY	USD	8,460	8,460	0	0	21	0	21	21	0	8,460	1,746,990	The first repayment installment begins 11 December 2019 and ends 11 December 2049.
Environment Sector Strengthening Prog 3106 BL-GY	USD	8,460	8,460	0	0	402	0	402	402	0	8,460	1,746,990	The first repayment installment begins 11 December 2019 and ends 11 December 2049.
Power Utility Upgrade Program - 3238 OC- GY	USD	22,500	300	0	0	49	0	49	0	0	300	61,950	The first repayment installment begins 72 months from the date of signature of this contract and the last installment shall be paid no late than 30 years from the same date.
Power Utility Upgrade Program - 3239 BL- GY	USD	7,571	0	0	0	16	0	16	0	0	0	0	The first repayment installment begins 72 months from the date of signature of this contract and the last installment shall be paid no late than 30 years from the same date.
Power Utility Upgrade Program - 3239 BL- GY	USD	7,571	0	0	0	0	0	0	0	0	0	0	This portion of the loan shall be repaid in one single installment 40 years from the date of signature of this contract.
Water Supply and Sanitation Infrastructure Improvement Program - 3242 OC- GY	USD	7,500	1,000	0	0	23	0	23	0	0	1,000	206,500	The first repayment installment begins 72 months from the date of signature of this contract and the last installment shall be paid no late than 30 years from the same date.
Water Supply and Sanitation Infrastructure Improvement Program - 3243 BL- GY	USD	4,669	0	0	0	10	0	10	0	0	0	0	The first repayment installment begins 72 months from the date of signature of this contract and the last installment shall be paid no late than 30 years from the same date.
<b>C/F</b>												<b>132,269,573</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>132,269,573</b>	
Water Supply and Sanitation Infrastructure Improvement Program - 3243 BL- GY	USD	4,669	0	0	0	0	0	0	0	0	0	0	This portion of the loan shall be repaid in one single installment 40 years from the date of signature of this contract.
Reform/Modernisation of State - 3369/BL GY-OCR	USD	7,500	0	100	0	6	0	6			100	20,650	The first repayment installment begins 72 months from the date of signature of this contract and the last installment shall be paid no late than 30 years from the same date.
Reform/Modernisation of State - 3369/BL GY-FSO	USD	7,500	0	100	0	0	0	0			100	20,650	This portion of loan shall be repaid in one single installment 40 years from the date of signature of this contract.
Environment and Natural Disaster 3422-BL/GY	USD	8,580	0	8,580	0	10	0	10			8,580	1,771,770	The first repayment installment begins 6 years from the date of signature of this contract and the last installment shall be paid no late than 30 years from the same date.
Environment and Natural Disaster 3422-BL/GY	USD	8,580	0	8,580	0	116	0	116			8,580	1,771,770	This portion of loan shall be repaid in one single installment 40 years from the date of signature of this contract.
<b>INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT</b>													
CAD/Guyana Poor Rural Communities Support Services Project 436 - GY	SDR	7,300	4,860	0	220	36	221	36	257	0	4,639	1,332,068	Principal payment shall be made semi-annually on 1 April and October commencing 1/4/2007 and ending 1 /10/2036.
OPEC Fund for International Development 1058 H	USD	7,500	6,000	0	375	59	375	59	434	0	5,625	1,161,563	Repayment of 40 equal and consecutive semi-annual installments. Commencing 2011-01-15 and ending 2030-07-15.
OPEC Fund for International Development 716pg	USD	15,188	9,720	0	608	96	608	96	704	0	9,112	1,881,628	Principal repayment shall be made semi-annually commencing 2006/02/16, ending 2030/08/16.
Rescheduling of Guyana Debt/ Trinidad & Tobago.	USD	55,979	30,796	0	5,476	955	5,476	955	6,431	0	25,320	5,228,580	Principal repayment shall be made semi-annually on 23/5 and 23/11 beginning 23/05/2006 and ending 23/05/2019
Transfer of GUYMINE'S Liabilities to Government Bonds	USD GBP	2,685 21	2,685 21	0 0	0 0	0 0	0 0	0 0	0 0	0 0	2,685 21	554,453 6,425	The Bonds are fixed dated with maturity date of 12 years and 1 day. Interest is payable annually at 5%.
PL 480 for 1999	USD	7,000	722	0	48	18	48	18	66	0	674	139,181	26 Annual Principal repayments commencing 2004-12-30 and ending 2029-12-30.
Rehabilitation of the Bauxite Industry Sysmin - 3663/Gua/P	XEU	10,496	6,695	0	401	66	401	66	467	0	6,294	1,415,255	Principal repayment in 51 semi-annual installments beginning 1 March 2005, ending 1 March 2030.
Rose Hall Water Supply Project 7.1035	XEU	9,200	634	0	634	13	634	13	647	0	0	0	Loan to be repaid by 15 equal annual installments on 10 December 2001 ending 10 December 2015.
Financing Project (READ) IFAD 742 - GY	SDR	1,850	1,598	252	0	13	0	13	13	0	1,850	531,219	60 semi-annual payments beginning June 15, 2018, ending December 15, 2047.
<b>Non- Paris Club Creditors</b>													
Yugoslavia Credit Agreement	USD	1,175	1,286	0	0	24	0	24	24	0	1,310	270,515	Repayment of this loan shall be made semi-annually on 6 principal repayments of the loan shall be paid 21/6 and 21/12. Yearly beginning 83/12/21.
United Arab Emirates Economic Co-operation	UAE	19,840	27,617	0	0	476	0	476	476	0	28,093	1,587,220	The principal repayment of loan amount paid 4/3 yearly beginning 4-3-78. Interest is paid on 4/3 yearly beginning 4/3/78 and ending 4/3/87.
<b>C/F</b>												<b>149,962,519</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>149,962,519</b>	
Argentina	USD	6,783	14,202	0	0	339	0	339	339	0	14,541	3,002,717	Repayable 1996 to 1998 at 7.5%.
Kuwait	KWD	3,000	21,117	0	0	739	0	739	739	0	21,856	14,944,175	Repayable 1982 to 1993 at 7.5% to 10.8%.
Libya	USD	10,000	42,653	0	0	292	0	292	292	0	42,945	8,868,143	Repayable 1981 to 1993 at varying interest rates.
<b>Italy</b> Procurement of Equipment for the rehab. maint. and construct. of drainage and irrigation facilities in Mahaica.	XEU	3,305	3,144	0	175	31	175	31	206	0	2,969	667,603	36 semi-annual installments beginning April 23, 2015, ending October 23 2032.
<b>Export Import Bank of China</b>													
The design and supply of the co-generation plant under the Skeldon Sugar Modernisation Project	YUAN	270,000	180,869	0	17,226	3,531	17,226	3,531	20,757	0	163,643	5,229,641	31 equal semi-annual installments commencing 21 March 2010, ending on 21 March 2025.
Guyana Power and Light Infrastructure Development Project	YUAN	270,000	247,927	0	7,998	5,029	7,998	5,029	13,027	0	239,929	7,667,560	31 equal semi-annual installments commencing 21 September 2015, ending on 29 June 2030.
Supply and Implementation Service Contract for Guyana E-Government Project	YUAN	215,000	185,501	28,617	0	4,024	0	4,024	4,024	0	214,118	6,842,702	31 equal semi-annual installments commencing 21 March 2017, ending on 21 September 2032.
CJIA Loan Extension Project	YUAN	825,000	177,688	3,411	0	6,827	0	6,827	6,827	0	181,099	5,787,493	31 equal semi-annual installments commencing 21 March 2018, ending on 17 December 2032.
<b>Exim Bank of India</b>													
Construction of Cricket Stadium	USD	19,000	12,674	0	1,265	219	1,265	219	1,484	0	11,409	2,355,959	30 equal semi-annual installments commencing 14.01.2010 & ending 14.07.2024. Interest rate 1.75 %.
Construction of Traffic Lights	USD	2,100	1,680	0	139	29	140	29	169	0	1,540	318,010	Repayment of 30 installments to be paid 2 times each year on 14 January and 14 July commencing 2012-01-14 and ending 2026-07-14
Acquisition and Installation of Irrigation Pumps	USD	4,000	2,991	0	266	57	266	57	323	0	2,725	562,713	30 equal semi-annual installments commencing 14 January 2015, ending on 14 July 2029.
Multi Speciality Hospital Project	USD	19,000	4,285	0	0	151	0	151	151	0	4,285	884,853	30 equal semi-annual installments commencing 14 January 2018, ending on 14 July 2032.
Bulgaria	USD	323	269	0	108	0	108	0	108	0	161	33,247	Accumulated loan amount was reduced by 90 %. Repayment for remaining balance shall be done semi-annually with equal installments.Loan to be fully repaid in 3 years,first payment due 30 September 2014.
<b>VENEZUELA</b>													
<b>2013 Shipments</b>													
PetroCaribe Agreement-16th shipment 2013	USD	2,020	348	0	0	0	0	0	0	348	0	0	Repayment of 23 installments to be paid once each year commencing 2015-03-28 & ending 2037-03-28.
PetroCaribe Agreement-17th shipment 2013	USD	2,597	2,597	0	0	0	0	0	0	2,597	0	0	Repayment of 23 installments to be paid once each year commencing 2015-04-02 & ending 2037-04-02.
PetroCaribe Agreement-18th shipment 2013	USD	2,579	2,579	0	0	0	0	0	0	2,579	0	0	Repayment of 23 installments to be paid once each year commencing 2015-04-06 & ending 2037-04-06.
PetroCaribe Agreement-19th shipment 2013 C/F	USD	3,757	3,757	0	0	0	0	0	0	3,757	0	0	Repayment of 23 installments to be paid once each year commencing 2015-04-09 & ending 2037-04-09.
												<b>207,127,331</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10 10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>207,127,331</b>	
PetroCaribe Agreement-20th shipment 2013	USD	1,645	1,645	0	0	0	0	0	0	1,645	0	0	Repayment of 23 installments to be paid once each year commencing 2015-04-14 & ending 2037-04-14.
PetroCaribe Agreement-21st shipment 2013	USD	2,823	2,823	0	0	0	0	0	0	2,823	0	0	Repayment of 23 installments to be paid once each year commencing 2015-04-20 & ending 2037-04-20.
PetroCaribe Agreement-22nd shipment 2013	USD	2,597	2,597	0	0	0	0	0	0	2,597	0	0	Repayment of 23 installments to be paid once each year commencing 2015-04-30 & ending 2037-04-30.
PetroCaribe Agreement-23rd shipment 2013	USD	3,846	3,846	0	0	0	0	0	0	3,846	0	0	Repayment of 23 installments to be paid once each year commencing 2015-05-05 & ending 2037-05-05.
PetroCaribe Agreement-24th shipment 2013	USD	1,973	1,973	0	0	0	0	0	0	1,973	0	0	Repayment of 23 installments to be paid once each year commencing 2015-05-17 & ending 2037-05-17.
PetroCaribe Agreement-25th shipment 2013	USD	2,521	2,521	0	0	0	0	0	0	2,521	0	0	Repayment of 23 installments to be paid once each year commencing 2015-05-30 & ending 2037-05-30.
PetroCaribe Agreement-26th shipment 2013	USD	2,539	2,539	0	0	0	0	0	0	2,539	0	0	Repayment of 23 installments to be paid once each year commencing 2015-06-02 & ending 2037-06-02.
PetroCaribe Agreement-27th shipment 2013	USD	3,887	3,887	0	0	0	0	0	0	3,887	0	0	Repayment of 23 installments to be paid once each year commencing 2015-06-05 & ending 2037-06-05.
PetroCaribe Agreement-28th shipment 2013	USD	1,881	1,881	0	0	0	0	0	0	1,881	0	0	Repayment of 23 installments to be paid once each year commencing 2015-06-05 & ending 2037-06-05.
PetroCaribe Agreement-29th shipment 2013	USD	1,944	1,944	0	0	0	0	0	0	1,944	0	0	Repayment of 23 installments to be paid once each year commencing 2015-06-19 & ending 2037-06-19.
PetroCaribe Agreement-30th shipment 2013	USD	4,127	4,127	0	0	0	0	0	0	4,127	0	0	Repayment of 23 installments to be paid once each year commencing 2015-06-21 & ending 2037-06-21.
PetroCaribe Agreement-31st shipment 2013	USD	2,538	2,538	0	0	0	0	0	0	2,538	0	0	Repayment of 23 installments to be paid once each year commencing 2015-06-23 & ending 2037-06-23.
PetroCaribe Agreement-32nd shipment 2013	USD	1,366	1,366	0	0	0	0	0	0	1,366	0	0	Repayment of 23 installments to be paid once each year commencing 2015-07-06 & ending 2037-07-06.
PetroCaribe Agreement-33rd shipment 2013	USD	2,224	2,224	0	0	0	0	0	0	2,224	0	0	Repayment of 23 installments to be paid once each year commencing 2015-07-08 & ending 2037-07-08.
PetroCaribe Agreement-34th shipment 2013	USD	2,602	2,602	0	0	0	0	0	0	2,602	0	0	Repayment of 23 installments to be paid once each year commencing 2015-07-14 & ending 2037-07-14.
PetroCaribe Agreement-35th shipment 2013	USD	2,362	2,362	0	0	0	0	0	0	2,362	0	0	Repayment of 23 installments to be paid once each year commencing 2015-07-20 & ending 2037-07-20.
PetroCaribe Agreement-36th shipment 2013	USD	2,456	2,456	0	0	0	0	0	0	2,456	0	0	Repayment of 23 installments to be paid once each year commencing 2015-07-27 & ending 2037-07-27.
PetroCaribe Agreement-37th shipment 2013	USD	2,916	2,916	0	0	0	0	0	0	2,916	0	0	Repayment of 23 installments to be paid once each year commencing 2015-07-29 & ending 2037-07-29.
PetroCaribe Agreement-38th shipment 2013	USD	2,439	2,439	0	0	0	0	0	0	2,439	0	0	Repayment of 23 installments to be paid once each year commencing 2015-08-08 & ending 2037-08-08.
<b>C/F</b>												<b>207,127,331</b>	



NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>207,127,331</b>	
PetroCaribe Agreement-39th shipment 2013	USD	2,415	2,415	0	0	0	0	0	0	2,415	0	0	Repayment of 23 installments to be paid once each year commencing 2015-08-11 & ending 2037-08-11.
PetroCaribe Agreement-40th shipment 2013	USD	3,615	3,615	0	0	0	0	0	0	3,615	0	0	Repayment of 23 installments to be paid once each year commencing 2015-08-13 & ending 2037-08-13.
PetroCaribe Agreement-41st shipment 2013	USD	2,424	2,424	0	0	0	0	0	0	2,424	0	0	Repayment of 23 installments to be paid once each year commencing 2015-08-23 & ending 2037-08-23.
PetroCaribe Agreement-42nd shipment 2013	USD	2,569	2,569	0	0	0	0	0	0	2,569	0	0	Repayment of 23 installments to be paid once each year commencing 2015-09-06 & ending 2037-09-06.
PetroCaribe Agreement-43rd shipment 2013	USD	2,193	2,193	0	0	0	0	0	0	2,193	0	0	Repayment of 23 installments to be paid once each year commencing 2015-09-07 & ending 2037-09-07.
PetroCaribe Agreement-44th shipment 2013	USD	2,629	2,629	0	0	0	0	0	0	2,629	0	0	Repayment of 23 installments to be paid once each year commencing 2015-09-11 & ending 2037-09-11.
<b>2014 Shipments</b>													
PetroCaribe Agreement-1st shipment 2014	USD	2,147	2,147	0	0	0	0	0	0	2,147	0	0	Repayment of 23 installments to be paid once each year commencing 2017-01-04 & ending 2039-01-04.
PetroCaribe Agreement-2nd shipment 2014	USD	2,355	2,355	0	0	0	0	0	0	2,355	0	0	Repayment of 23 installments to be paid once each year commencing 2017-01-10 & ending 2039-01-10.
PetroCaribe Agreement-3rd shipment 2014	USD	2,257	2,257	0	0	0	0	0	0	2,257	0	0	Repayment of 23 installments to be paid once each year commencing 2017-01-15 & ending 2039-01-15.
PetroCaribe Agreement-4th shipment 2014	USD	2,498	2,498	0	0	0	0	0	0	2,498	0	0	Repayment of 23 installments to be paid once each year commencing 2017-01-23 & ending 2039-01-23.
PetroCaribe Agreement-5th shipment 2014	USD	2,451	2,451	0	0	0	0	0	0	2,451	0	0	Repayment of 23 installments to be paid once each year commencing 2017-02-02 & ending 2039-02-02.
PetroCaribe Agreement-6th shipment 2014	USD	2,228	2,228	0	0	0	0	0	0	2,228	0	0	Repayment of 23 installments to be paid once each year commencing 2017-02-08 & ending 2039-02-08.
PetroCaribe Agreement-7th shipment 2014	USD	3,199	3,199	0	0	0	0	0	0	937	2,262	467,103	Repayment of 23 installments to be paid once each year commencing 2017-02-13 & ending 2039-02-13.
PetroCaribe Agreement-8th shipment 2014	USD	2,479	2,479	0	0	0	0	0	0	0	2,479	511,914	Repayment of 23 installments to be paid once each year commencing 2017-02-26 & ending 2039-02-26.
PetroCaribe Agreement-9th shipment 2014	USD	2,337	2,337	0	0	0	0	0	0	0	2,337	482,591	Repayment of 23 installments to be paid once each year commencing 2017-03-09 & ending 2039-03-09.
PetroCaribe Agreement-10th shipment 2014	USD	2,311	2,311	0	0	0	0	0	0	0	2,311	477,222	Repayment of 23 installments to be paid once each year commencing 2017-03-11 & ending 2039-03-11.
PetroCaribe Agreement-11th shipment 2014	USD	2,118	2,118	0	0	0	0	0	0	0	2,118	437,367	Repayment of 23 installments to be paid once each year commencing 2017-03-15 & ending 2039-03-15.
PetroCaribe Agreement-12th shipment 2014	USD	2,494	2,494	0	0	0	0	0	0	0	2,494	515,011	Repayment of 23 installments to be paid once each year commencing 2017-03-23 & ending 2039-03-23.
<b>C/F</b>												<b>210,018,538</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>210,018,538</b>	
PetroCaribe Agreement-13th shipment 2014	USD	2,077	2,077	0	0	0	0	0	0	0	2,077	428,901	Repayment of 23 installments to be paid once each year commencing 2017-03-24 & ending 2039-03-24.
PetroCaribe Agreement-14th shipment 2014	USD	2,743	2,743	0	0	0	0	0	0	0	2,743	566,430	Repayment of 23 installments to be paid once each year commencing 2017-04-04 & ending 2039-04-04.
PetroCaribe Agreement-15th shipment 2014	USD	2,527	2,527	0	0	0	0	0	0	0	2,527	521,826	Repayment of 23 installments to be paid once each year commencing 2017-04-10 & ending 2039-04-10.
PetroCaribe Agreement-16th shipment 2014	USD	3,238	3,238	0	0	0	0	0	0	0	3,238	668,647	Repayment of 23 installments to be paid once each year commencing 2017-04-13 & ending 2039-04-13.
PetroCaribe Agreement-17th shipment 2014	USD	2,452	2,452	0	0	0	0	0	0	0	2,452	506,338	Repayment of 23 installments to be paid once each year commencing 2017-04-30 & ending 2039-04-30.
PetroCaribe Agreement-18th shipment 2014	USD	2,461	2,461	0	0	0	0	0	0	0	2,461	508,197	Repayment of 23 installments to be paid once each year commencing 2017-05-02 & ending 2039-05-02.
PetroCaribe Agreement-19th shipment 2014	USD	1,837	1,837	0	0	0	0	0	0	0	1,837	379,341	Repayment of 23 installments to be paid once each year commencing 2017-05-14 & ending 2039-05-14.
PetroCaribe Agreement-20th shipment 2014	USD	2,142	2,142	0	0	0	0	0	0	0	2,142	442,323	Repayment of 23 installments to be paid once each year commencing 2017-05-16 & ending 2039-05-16.
PetroCaribe Agreement-21st shipment 2014	USD	2,535	2,535	0	0	0	0	0	0	0	2,535	523,478	Repayment of 23 installments to be paid once each year commencing 2017-06-01 & ending 2039-06-01.
PetroCaribe Agreement-22nd shipment 2014	USD	2,233	2,233	0	0	0	0	0	0	0	2,233	461,115	Repayment of 23 installments to be paid once each year commencing 2017-06-03 & ending 2039-06-03.
PetroCaribe Agreement-23rd shipment 2014	USD	2,298	2,298	0	0	0	0	0	0	0	2,298	474,537	Repayment of 23 installments to be paid once each year commencing 2017-06-13 & ending 2039-06-13.
PetroCaribe Agreement-24th shipment 2014	USD	2,928	2,928	0	0	0	0	0	0	0	2,928	604,632	Repayment of 23 installments to be paid once each year commencing 2017-06-17 & ending 2039-06-17.
PetroCaribe Agreement-25th shipment 2014	USD	2,217	2,217	0	0	0	0	0	0	0	2,217	457,811	Repayment of 23 installments to be paid once each year commencing 2017-06-27 & ending 2039-06-27.
PetroCaribe Agreement-26th shipment 2014	USD	1,786	1,786	0	0	0	0	0	0	0	1,786	368,809	Repayment of 23 installments to be paid once each year commencing 2017-07-02 & ending 2039-07-02.
PetroCaribe Agreement-27th shipment 2014	USD	2,756	2,756	0	0	0	0	0	0	0	2,756	569,114	Repayment of 23 installments to be paid once each year commencing 2017-07-09 & ending 2039-07-09.
PetroCaribe Agreement-28th shipment 2014	USD	2,208	2,208	0	0	0	0	0	0	0	2,208	455,952	Repayment of 23 installments to be paid once each year commencing 2017-07-15 & ending 2039-07-15.
PetroCaribe Agreement-29th shipment 2014	USD	2,538	2,538	0	0	0	0	0	0	0	2,538	524,097	Repayment of 23 installments to be paid once each year commencing 2017-07-30 & ending 2039-07-30.
PetroCaribe Agreement-30th shipment 2014	USD	2,294	2,294	0	0	0	0	0	0	0	2,294	473,711	Repayment of 23 installments to be paid once each year commencing 2017-07-31 & ending 2039-07-31.
PetroCaribe Agreement-31st shipment 2014	USD	2,364	2,364	0	0	0	0	0	0	0	2,364	488,166	Repayment of 23 installments to be paid once each year commencing 2017-08-04 & ending 2039-08-04
<b>C/F</b>												<b>219,441,959</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>219,441,959</b>	
PetroCaribe Agreement-32nd shipment 2014	USD	2,320	2,320	0	0	0	0	0	0	0	2,320	479,080	Repayment of 23 installments to be paid once each year commencing 2017-08-14 & ending 2039-08-14.
PetroCaribe Agreement-33rd shipment 2014	USD	2,101	2,101	0	0	0	0	0	0	0	2,101	433,857	Repayment of 23 installments to be paid once each year commencing 2017-08-26 & ending 2039-08-26.
PetroCaribe Agreement-34th shipment 2014	USD	2,976	2,976	0	0	0	0	0	0	0	2,976	614,544	Repayment of 23 installments to be paid once each year commencing 2017-08-28 & ending 2039-08-28.
PetroCaribe Agreement-35th shipment 2014	USD	2,513	2,513	0	0	0	0	0	0	0	2,513	518,935	Repayment of 23 installments to be paid once each year commencing 2017-09-10 & ending 2039-09-10.
PetroCaribe Agreement-36th shipment 2014	USD	1,922	1,922	0	0	0	0	0	0	0	1,922	396,893	Repayment of 23 installments to be paid once each year commencing 2017-09-14 & ending 2039-09-14.
PetroCaribe Agreement-37th shipment 2014	USD	2,174	2,174	0	0	0	0	0	0	0	2,174	448,931	Repayment of 23 installments to be paid once each year commencing 2017-09-18 & ending 2039-09-18.
PetroCaribe Agreement-38th shipment 2014	USD	1,926	1,926	0	0	0	0	0	0	0	1,926	397,719	Repayment of 23 installments to be paid once each year commencing 2017-09-26 & ending 2039-09-26.
PetroCaribe Agreement-39th shipment 2014	USD	2,228	2,228	0	0	0	0	0	0	0	2,228	460,082	Repayment of 23 installments to be paid once each year commencing 2017-09-27 & ending 2039-09-27.
PetroCaribe Agreement-40th shipment 2014	USD	1,322	1,322	0	0	0	0	0	0	0	1,322	272,993	Repayment of 23 installments to be paid once each year commencing 2017-10-10 & ending 2039-10-10.
PetroCaribe Agreement-41st shipment 2014	USD	1,918	1,918	0	0	0	0	0	0	0	1,918	396,067	Repayment of 23 installments to be paid once each year commencing 2017-10-12 & ending 2039-10-12.
PetroCaribe Agreement-42nd shipment 2014	USD	932	932	0	0	0	0	0	0	0	932	192,458	Repayment of 23 installments to be paid once each year commencing 2017-10-18 & ending 2039-10-18.
PetroCaribe Agreement-43rd shipment 2014	USD	1,428	1,428	0	0	0	0	0	0	0	1,428	294,882	Repayment of 23 installments to be paid once each year commencing 2017-10-25 & ending 2039-10-25.
PetroCaribe Agreement-44th shipment 2014	USD	2,418	2,418	0	0	0	0	0	0	0	2,418	499,317	Repayment of 23 installments to be paid once each year commencing 2017-10-29 & ending 2039-10-29.
PetroCaribe Agreement-45th shipment 2014	USD	1,098	1,098	0	0	0	0	0	0	0	1,098	226,737	Repayment of 23 installments to be paid once each year commencing 2017-11-13 & ending 2039-11-13.
PetroCaribe Agreement-46th shipment 2014	USD	1,388	1,388	0	0	0	0	0	0	0	1,388	286,622	Repayment of 23 installments to be paid once each year commencing 2017-11-15 & ending 2039-11-15.
PetroCaribe Agreement-47th shipment 2014	USD	1,251	1,251	0	0	0	0	0	0	0	1,251	258,332	Repayment of 23 installments to be paid once each year commencing 2017-11-20 & ending 2039-11-20.
PetroCaribe Agreement-48th shipment 2014	USD	1,189	1,189	0	0	0	0	0	0	0	1,189	245,529	Repayment of 23 installments to be paid once each year commencing 2017-11-24 & ending 2039-11-24.
PetroCaribe Agreement-49th shipment 2014	USD	1,012	1,012	0	0	0	0	0	0	0	1,012	208,978	Repayment of 23 installments to be paid once each year commencing 2017-11-25 & ending 2039-11-25.
PetroCaribe Agreement-50th shipment 2014	USD	826	826	0	0	0	0	0	0	0	826	170,569	Repayment of 23 installments to be paid once each year commencing 2017-12-08 & ending 2039-12-08.
<b>C/F</b>												<b>226,244,482</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT AS AT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10 10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>226,244,482</b>	
PetroCaribe Agreement-51st shipment 2014	USD	928	928	0	0	0	0	0	0	0	928	191,632	Repayment of 23 installments to be paid once each year commencing 2017-12-08 & ending 2039-12-08.
PetroCaribe Agreement-52nd shipment 2014	USD	866	866	0	0	0	0	0	0	0	866	178,829	Repayment of 23 installments to be paid once each year commencing 2017-12-28 & ending 2039-12-28.
PetroCaribe Agreement-53rd shipment 2014	USD	913	913	0	0	0	0	0	0	0	913	188,535	Repayment of 23 installments to be paid once each year commencing 2017-12-28 & ending 2039-12-28.
<b>2015 shipments</b>													
PetroCaribe Agreement-1st shipment 2015	USD	713	0	713	0	0	0	0	0	0	713	147,235	Promisory Note were not done
PetroCaribe Agreement-2nd shipment 2015	USD	832	0	832	0	0	0	0	0	0	832	171,808	Promisory Note were not done
PetroCaribe Agreement-3rd shipment 2015	USD	638	0	638	0	0	0	0	0	0	638	131,747	Promisory Note were not done
PetroCaribe Agreement-4th shipment 2015	USD	675	0	675	0	0	0	0	0	0	675	139,388	Promisory Note were not done
PetroCaribe Agreement-5th shipment 2015	USD	844	0	844	0	0	0	0	0	0	844	174,286	Promisory Note were not done
PetroCaribe Agreement-6th shipment 2015	USD	1,035	0	1,035	0	0	0	0	0	0	1,035	213,728	Promisory Note were not done
PetroCaribe Agreement-7th shipment 2015	USD	472	0	472	0	0	0	0	0	0	472	97,468	Promisory Note were not done
PetroCaribe Agreement-8th shipment 2015	USD	1,130	0	1,130	0	0	0	0	0	0	1,130	233,345	Promisory Note were not done
PetroCaribe Agreement-9th shipment 2015	USD	1,076	0	1,076	0	0	0	0	0	0	1,076	222,194	Promisory Note were not done
PetroCaribe Agreement-10th shipment 2015	USD	574	0	574	0	0	0	0	0	0	574	118,531	Promisory Note were not done
PetroCaribe Agreement-11th shipment 2015	USD	902	0	902	0	0	0	0	0	0	902	186,263	Promisory Note were not done
PetroCaribe Agreement-12th shipment 2015	USD	912	0	912	0	0	0	0	0	0	912	188,328	Promisory Note were not done
PetroCaribe Agreement-13th shipment 2015	USD	323	0	323	0	0	0	0	0	0	323	66,700	Promisory Note were not done
PetroCaribe Agreement-14th shipment 2015	USD	963	0	963	0	0	0	0	0	0	963	198,860	Promisory Note were not done
PetroCaribe Agreement-15th shipment 2015	USD	929	0	929	0	0	0	0	0	0	929	191,839	Promisory Note were not done
PetroCaribe Agreement-16th shipment 2015	USD	1,328	0	1,328	0	0	0	0	0	0	1,328	274,232	Promisory Note were not done
<b>C/F</b>												<b>229,559,426</b>	

NAME OF CREDITOR/ LOAN IDENTIFICATION/ DESCRIPTION OF LOAN  1	LOAN CURR ENCY  2	REVISED/ ORIGINAL AMOUNT OF LOAN 3	OPENING BALANCE AS AT 01.01.2015 4	AMOUNT DIS- BURSED IN 2015 5	DEBT SERVICE COST DUE & PAYABLE IN 2015 6		ACTUAL DEBT SERVICE COST PAID IN 2015 7			DEBT RELIEF (DEBT CANCELLAT- ION/ WRITE-OFF) 9	CLOSING BALANCE AS AT 31.12.15 10  10=(4+5+6b-7a-7b)-9	GUYANA DOLLAR EQ- UIVALENT 31.12.15 11	TERMS AND CONDITIONS OF LOAN
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	TOTAL PAYMENT 8 8=7a+7b				
					a	b	a	b					
<b>B/F</b>		'000	'000	'000	'000	'000	'000	'000	'000	'000	'000	<b>229,559,426</b>	
PetroCaribe Agreement-17th shipment 2015	USD	1,347	0	1,347	0	0	0	0	0	0	1,347	278,156	Promisory Note were not done
PetroCaribe Agreement-18th shipment 2015	USD	1,320	0	1,320	0	0	0	0	0	0	1,320	272,580	Promisory Note were not done
PetroCaribe Agreement-19th shipment 2015	USD	903	0	903	0	0	0	0	0	0	903	186,470	Promisory Note were not done
PetroCaribe Agreement-20th shipment 2015	USD	1,307	0	1,307	0	0	0	0	0	0	1,307	269,896	Promisory Note were not done
PetroCaribe Agreement-21st shipment 2015	USD	1,248	0	1,248	0	0	0	0	0	0	1,248	257,712	Promisory Note were not done
PetroCaribe Agreement-22nd shipment 2015	USD	1,211	0	1,211	0	0	0	0	0	0	1,211	250,072	Promisory Note were not done
PetroCaribe Agreement-23rd shipment 2015	USD	578	0	578	0	0	0	0	0	0	578	119,357	Promisory Note were not done
PetroCaribe Agreement-24th shipment 2015	USD	1,548	0	1,548	0	0	0	0	0	0	1,548	319,662	Promisory Note were not done
PetroCaribe Agreement-25th shipment 2015	USD	578	0	578	0	0	0	0	0	0	578	119,357	Promisory Note were not done
PetroCaribe Agreement-26th shipment 2015	USD	1,396	0	1,396	0	0	0	0	0	0	1,396	288,274	Promisory Note were not done
PetroCaribe Agreement-27th shipment 2015	USD	851	0	851	0	0	0	0	0	0	851	175,732	Promisory Note were not done
<b>GRAND TOTAL</b>												<b>232,096,692</b>	

**ANALYSIS OF PUBLIC DEBT  
BY CURRENCIES AS AT 31 DECEMBER 2015**

NO.	DESCRIPTION	RATE AT 31-12-15	NO. OF UNITS OF CURRENCY OUTSTANDING 000	GS *000 EQUIVALENT
1	UNITED STATES DOLLARS (US\$)	206.50	854,142	176,380,323
2	JAPANESE YEN (JPK)	1.72509	123,137	212,422
3	POUND STERLING (GBP)	305.97105	397	121,471
4	SPECIAL DRAWING RIGHTS (SDR)	287.14543	21,237	6,098,107
5	CANADIAN DOLLAR (CAD)	148.63870	11,720	1,742,046
6	EUROPEAN CURRENCY UNITS (XEU)	224.85785	24,165	5,433,690
7	YUAN RENMINBIS (CNY)	31.95762	798,789	25,527,395
8	UAE DIRHAMS (AED)	56.49877	28,093	1,587,220
9	SWEDISH KRONA (SEK)	24.61509	0	0
10	DANISH KRONES (DKK)	30.20758	1,650	49,843
11	SWISS FRANCS (SFR)	207.31269	0	0
12	KUWAITI DINARS (KWD)	683.75618	21,856	14,944,175
	<b>GRAND TOTAL</b>			<b>232,096,692</b>

**STATEMENT OF PUBLIC DEBT  
EQUATED ANNUITY DEBENTURES 2015**

DESCRIPTION 1	AUTH- ORITY 2	DATE OF FIRST INSTALL- MENT 3	DATE OF FINAL INSTALL- MENT 4	DUE DATE OF INSTALL- MENT 5	AMOUNT OF LOAN 31-12-14 6	LOAN MADE IN 2014 7	AMOUNT OF LOAN 31-12-15 (8)=(6)+(7)	AMOUNT RE-PAID AT 31-12-14 9	AMOUNT RE-PAID IN 2015 10	AMOUNT RE-PAID AS AT 31-12-15 (11)=(9)+(10)	AMOUNT OUT- STANDING AT 31-12-14 (12)=(6)-(9)	AMOUNT OUT- STANDING AT 31-12-15 (13)=(8)-(11)
Government of Guyana debenture to National Paint Co. (1997)	Loan Act 11 of 73	30-11-91	31-05-97	31-5 & 30-11	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
					3,485	0	3,485	1,405	0	1,405	2,080	2,080
TOTAL					3,485	0	3,485	1,405	0	1,405	2,080	2,080

**STATEMENT OF PUBLIC DEBT  
NON - INTEREST BEARING DEBENTURE 2015**

DESCRIPTION (1)	AMOUNT OF LOAN (2)	LOAN MADE IN 2015 (3)	AMOUNT OF LOAN AT 31 - 12 - 15 (4)=(2)+(3)	AMOUNT REPAID AT 31-12-14 (5)	AMOUNT REPAID IN 2015 (6)	AMOUNT REPAID AT 31-12-15 (7)=(5)+(6)	AMOUNT OUT- STANDING 31-12-14 (8)=(2)-(5)	AMOUNT OUT- STANDING 31-12-15 (9)=(4)-(7)
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Non Interest Bearing Debenture ID 31/12/00 (93 rd Issue)	4,892,539	0	4,892,539	0	0	0	4,892,539	4,892,539
Non Interest Bearing Debenture ID 31/12/01 (94th Issue)	14,851,975	0	14,851,975	0	0	0	14,851,975	14,851,975
Non Interest Bearing Debenture ID 31/12/02 (95th Issue)	2,566,705	0	2,566,705	0	0	0	2,566,705	2,566,705
Non Interest Bearing Debenture ID 31/12/04 (97th Issue)	2,578,508	0	2,578,508	0	0	0	2,578,508	2,578,508
Non Interest Bearing Debenture ID 31/12/06 (99th Issue)	4,091,091	0	4,091,091	0	0	0	4,091,091	4,091,091
Non Interest Bearing Debenture ID 31/12/07 (100th Issue)	7,151,884	0	7,151,884	0	0	0	7,151,884	7,151,884
Non Interest Bearing Debenture ID 31/12/12 (105th Issue)	416,666	0	416,666	0	0	0	416,666	416,666
Non Interest Bearing Debenture ID 31/12/13 (106th Issue)	1,602,715	0	1,602,715	0	0	0	1,602,715	1,602,715
Non Interest Bearing Debenture ID 31/12/14 (107th Issue)	30,862	0	30,862	0	0	0	30,862	30,862
Non Interest Bearing Debenture ID 31/12/15 (108th Issue)	0	104,437	104,437	0	0	0	0	104,437
<b>TOTAL</b>	<b>38,182,945</b>	<b>104,437</b>	<b>38,287,382</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,182,945</b>	<b>38,287,382</b>



**STATEMENT OF PUBLIC DEBT  
VARIABLE INTEREST RATES DEBENTURES 2015**

DESCRIPTION 1	AUTH- ORITY 2	DATE OF FIRST INSTALL- MENT 3	AMOUNT OF LOAN 4	LOAN MADE IN 2015 5	AMOUNT OF LOAN 31-12-15 (6)=(4)+(5)	AMOUNT REPAID AT 31-12-14 7	AMOUNT REPAID IN 2015 8	AMOUNT REPAID AS AT 31-12-15 (9)=(7)+(8)	AMOUNT OUT- STANDING AT 31-12-14 (10)=(4)-(7)	AMOUNT OUT- STANDING AT 31-12-15 (11)=(6)-(9)
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Variable Interest Rate Fixed Date Debentures 1st series 1995	5/1991	On Demand	2,835,122	0	2,835,122	0	0	0	2,835,122	2,835,122
Variable Interest Rate Fixed Date on demand Debenture 1st series 1996	5/1991	On Demand	927,449	0	927,449	0	0	0	927,449	927,449
Variable Interest Rate Debenture 3rd Series 1997	5/1991	On Demand	135,966	0	135,966	0	0	0	135,966	135,966
<b>TOTAL</b>			<b>3,898,537</b>	<b>0</b>	<b>3,898,537</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,898,537</b>	<b>3,898,537</b>

**STATEMENT OF PUBLIC DEBT  
INTERNAL LOANS 2015 - UNFUNDED**

DESCRIPTION 1	CURRENCY LOAN 2	DATE OF FINAL INSTALL- MENT 3	ORIGINAL AMOUNT OF LOAN 4	AMOUNT OF LOAN 31-12-14 5	LOAN MADE IN 2015 6	AMOUNT OF LOAN 31-12-15 7=(5)+(6)	AMOUNT RE-PAID AT 31-12-14 8	AMOUNT REPAID IN 2015 9	AMOUNT OF LOAN REPAID AS AT 31-12-15 10=(8)+(9)	AMOUNT OUT- STANDING AT 31-12-14 11=(5)-(8)	AMOUNT OUT- STANDING AT 31-12-15 12=(7)-(10)	GUYANA EQUIVALENT DOLLAR 13
Caricom Headquarters Building Project with NIS - 25yrs (US \$4 m)	USD	1\12\2025	\$'000 4,000	\$'000 4,000	\$'000 0	\$'000 4,000	\$'000 2,127	\$'000 170	\$'000 2,297	\$'000 1,873	\$'000 1,703	\$'000 351,670
TOTAL												351,670

**STATEMENT OF PUBLIC DEBT  
TREASURY BILLS OUTSTANDING FOR 2015**

DATE OF ISSUE	ISSUE NO.	DESCRIPTION	SUBSCRIBED AMOUNT	FACE VALUE
		<b><u>91 DAYS</u></b>	<b>GS'000</b>	<b>GS'000</b>
13.11.2015	618	Treasury Bill issued in 2015	3,980,862	4,000,000
18.12.2015	619	Treasury Bill issued in 2015	3,867,759	3,886,350
		<b>Sub Total</b>	<b>7,848,621</b>	<b>7,886,350</b>
13.11.2015	K146	Treasury Bill issued in 2015	549,262	551,900
18.12.2015	K147	Treasury Bill issued in 2015	444,067	446,200
		<b>Sub-Total</b>	<b>993,329</b>	<b>998,100</b>
		<b>Total (91 days &amp; K Series)</b>	<b>8,841,950</b>	<b>8,884,450</b>
		<b><u>182-365 Days</u></b>		
<b>182 Days</b>				
27.11.2015		Treasury Bill#A 256	251,310	253,600
		<b>Sub-Total</b>	<b>251,310</b>	<b>253,600</b>
<b>365 Days</b>				
	23.01.2015	Treasury Bill# B 423	1,465,650	1,500,000
	30.01.2015	Treasury Bill# B 424	6,837,920	7,000,000
	06.02.2015	Treasury Bill# B 425	742,398	760,000
	27.02.2015	Treasury Bill# B 426	6,833,848	7,000,000
	13.03.2015	Treasury Bill# B 427	3,904,581	4,000,000
	10.04.2015	Treasury Bill# B 428	2,929,804	3,000,000
	17.04.2015	Treasury Bill# B 429	976,590	1,000,000
<b>C/F</b>			<b>23,690,791</b>	<b>24,260,000</b>

DATE OF ISSUE	ISSUE NO.	DESCRIPTION	SUBSCRIBED AMOUNT	FACE VALUE	
B/F			<b>GS'000</b> 23,690,791	<b>GS'000</b> 24,260,000	
	22.05.2015	Treasury Bill# B 430	2,228,334	2,281,750	
	29.05.2015	Treasury Bill# B 431	2,928,742	3,000,000	
	05.06.2015	Treasury Bill# B 432	115,002	117,800	
	10.07.2015	Treasury Bill# B 433	2,440,054	2,500,000	
	31.07.2015	Treasury Bill# B 434	2,440,210	2,500,000	
	07.08.2015	Treasury Bill# B 435	3,906,162	4,000,000	
	14.08.2015	Treasury Bill# B 436	3,416,726	3,500,000	
	11.09.2015	Treasury Bill# B 437	6,840,928	7,000,000	
	23.10.2015	Treasury Bill# B 438	4,884,609	5,000,000	
	20.11.2015	Treasury Bill# B 439	6,347,595	6,500,000	
	11.12.2015	Treasury Bill# B 440	7,457,645	7,639,000	
			<b>Sub-Total</b>	<b>66,696,798</b>	<b>68,298,550</b>
			<b>Total (182 &amp; 365 days)</b>	<b>66,948,108</b>	<b>68,552,150</b>
		<b>Grand Total</b>	<b>75,790,058</b>	<b>77,436,600</b>	