

Audit Office of Guyana

Audited Financial Statements

For the year ended December 31, 2011

D. Bahadur & Co.
Chartered Accountants
Lot 125 Laluni Street,
Queenstown,
Georgetown.

Audit Office of Guyana

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2011 Audited Financial Statements

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D.BAHADUR & CO.

CHARTERED ACCOUNTANTS

125 LALUNI STREET, QUEENSTOWN, GEORGETOWN, GUYANA TEL # 225-1278, 225-1279 TEL/FAX # 226-0352

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC ACCOUNTS COMMITTEE

Report on the Financial Statements.

We have audited the accompanying financial statements of **Audit Office of Guyana** which comprise the Statement of Financial Position as at December 31, 2011 and the Statement of Receipts and Expenditures, for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Management's policy is to prepare the accompanying statements on the cash receipts and disbursement basis in conformity with International Financial Reporting Standards. On this basis cash receipts are recognised when received and cash expenditure are recognised when paid rather than when incurred.

Auditor's Responsibility.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PRINCIPAL: DRUBAHADUR - FCCA, MAAT

Opinion

In our opinion, the financial statements give a true and fair view, in all material respects of the financial position of **Audit Office of Guyana** as at December 31, 2011 and of its cash receipts and expenditures for the year then ended in accordance with International Financial Reporting Standards.

D. Bahadur & Co
D. Bahadur & Co
Chartered Accountants
September 3, 2013

125 Laluni Street
Queenstown,
Georgetown

D. BAHADUR & CO.
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Audit Office of Guyana
Statement of Financial Position
As at December 31, 2011

ASSETS

Current asset

Cash & cash equivalents

Notes

G\$
2011

G\$
2010

-

28,817,014

Non-current asset

Furniture and equipment

4

21,117,083

17,717,097

TOTAL ASSETS

21,117,083

46,534,111

LIABILITY AND EQUITY

Current liability

Pension contributions on hold

5

-

28,817,014

Equity

Capital contribution

4

21,117,083

17,717,097

TOTAL LIABILITY AND EQUITY

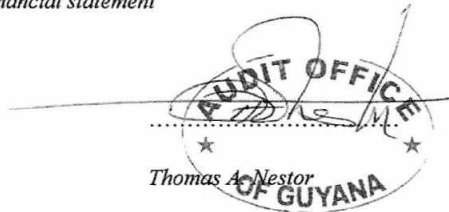
21,117,083

46,534,111

The notes on pages 3 to 6 form an integral part of these financial statement



Heeratah Gordon
Finance Manager



Thomas A. Nestor
Director - Administration and Finance

Audit Office of Guyana
Statement of Receipts & Expenditures
For the year ended December 31, 2011

<u>Income</u>	<u>Notes</u>	<u>G\$</u> <u>2011</u>	<u>G\$</u> <u>2010</u>
Receipts	6 - 8	457,813,881	366,819,835
<u>Expense</u>			
Operating expenses	9	457,813,881	366,819,835
Pension contribution on hold		-	(14,989,238)
Funds to be reimbursed		-	14,989,238

Audit Office of Guyana
Notes to the Financial Statements
For the year ended December 31, 2011

1 Identification

The Audit Office was granted the status of a subvention agency with effect from 1 April 2006 under the following Budget Agency details:

Budget Agency:	7 Parliament Office
Programme:	071 National Assembly
Chart of Account:	6231 Subsidies and Contribution to Local Government

2 Principal activities

There shall, in accordance with article 223 of the Constitution, be an Auditor General for Guyana, whose office shall be a public office.

There shall be an Audit Office comprising the Auditor General and the officers and employees appointed thereto.

The Auditor General shall be the external auditor of the public accounts of Guyana and, in the discharge of his functions, shall have complete discretion in examining and reporting on the receipt, disbursements, and control of public monies and on the economy, efficiency and effectiveness in the use of such monies.

3 Significant accounting policies

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

(a) Basis of preparation and accounting policies

These financial statements have been prepared in accordance with International Financial Reporting Standard under the historical convention.

(b) Income & expenditure

The cash basis method of accounting is used to account for income and expenditure in these financial statements i.e. funds and expenses are recognised when cash is received or disbursed rather than the occurrences of these transactions.

Audit Office of Guyana
Notes to the Financial Statements
For the year ended December 31, 2011

4 Furniture and equipment

Items of furniture and equipment are measured at cost.

<u>Particulars</u>	<u>G\$</u> <u>2011</u>	<u>G\$</u> <u>2010</u>
January 1	17,717,097	14,726,857
Additions	3,399,986	2,990,240
December 31	<u>21,117,083</u>	<u>17,717,097</u>

The amount represents furniture and equipment acquired during the year from capital grant. The Audit Office of Guyana also has the use of other furniture and equipment and motor vehicles, ownership of which are not vested in the Audit Office of Guyana.

5 Pension contribution

At the beginning of the year the amount of \$28,817,014 representing pension contribution for the period March 2009 to December 2010 was temporarily held in the Office's bank account. During the year this sum was transferred to a new pension scheme with Hand-in-Hand. The Audit Office commenced the new private contributory scheme with the Hand-in-Hand Mutual Life Assurance Co. Ltd. with effect from January 2011. Under this new arrangement, employees contributes 5% of their salary and government contributes 7% towards the scheme and this scheme is managed by trustees comprising members of staff and is subject to an independent audit.

6 Government subvention

The expenditure of the Audit Office shall, in accordance with article 222A(a) of the constitution, be financed as a direct charge on the Consolidated Fund, determined as a lump sum by way of an annual subvention approved by the National Assembly after review and approval of the Audit Office's budget as a part of the process of the determination of the National Budget.

<u>Particulars</u>	<u>G\$</u> <u>2011</u>	<u>G\$</u> <u>2010</u>
Current subvention	430,737,727	346,264,321
Capital subvention	6,800,000	11,000,000
Total	<u>437,537,727</u>	<u>357,264,321</u>

7 Audit fees

These are derived from entities such as Statutory Bodies, Municipal and Neighbourhood Democratic Councils and Public Corporations and are paid over to the Consolidated Fund.

<u>Name of organisation</u>	<u>G\$</u> <u>2011</u>	<u>G\$</u> <u>2010</u>
Bank of Guyana (FY 2011)	2,031,039	1,843,205
Guyana Geology & Mines (FY 2007-2008)	2,389,275	-
National Frequency Management Unit (FY 2008)	-	382,375
National Communications Network (FY 2004 - 2005)	-	2,119,201
Total	<u>4,420,314</u>	<u>4,344,781</u>

Audit Office of Guyana

Notes to the Financial Statements

For the year ended December 31, 2011

7 Audit fees (cont'd)		G\$	G\$	
<u>Name of organisation</u>		<u>2011</u>	<u>2010</u>	
	Guyana Oil Company Limited (FY 2010)	3,586,280	3,187,525	
	Guyana Forestry Commission (FY 2003 - 2005)	-	1,330,792	
	Dependant Pension Fund (FY 2009 - 2010)	566,740	436,204	
	Bank of Guyana Pension Scheme (FY 2008 - 2009)	1,055,392	-	
	National Agriculture Research Institute (FY 2002 - 2008)	3,409,382	-	
	Guyana National Bureau of Standards (FY 2002 - 2004)	489,436	-	
	MMA/ADA (FY 2004 - 2005)	1,876,442	-	
	Guyana Energy Agency FY (1998 -2001)	595,920	-	
	Anna Regina Town Council (FY 1997 -1999)	217,145	-	
	Malgre Tout NDC (FY 1997)	15,061	-	
	Wakenaam NDC (FY 1998 -2001)	13,094	-	
	Total	16,245,206	9,299,302	
8 Income				
This account comprises:				
<u>Description</u>				
	Government subvention	6	437,537,727	357,264,321
	Audit fees	7	16,245,206	9,299,302
	Other receipts		4,030,948	256,212
	Total		457,813,881	366,819,835
9 Operating expenses				
	Employment cost		349,872,971	289,557,256
	Office materials and supplies		8,072,065	5,093,306
	Fuel and lubricants		1,293,264	2,298,628
	Repairs and maintenance - building		4,152,455	3,618,177
	Repairs and maintenance - vehicles		1,253,706	1,777,569
	Repairs and maintenance - equipment		4,450,072	2,711,017
	Cleaning and sanitation		2,311,340	1,118,646
	Local travelling and subsistence		8,791,435	5,295,392
	Postage & cablegram		23,720	17,465
	Meals & refreshments		1,866,448	2,712,882
	Telephone		2,497,147	2,019,110
	Electricity		8,939,485	10,812,650
	Water rates		806,400	672,000
	Total		394,330,508	327,704,098

Audit Office of Guyana
Notes to the Financial Statements
For the year ended December 31, 2011

	G\$	G\$
	2011	2010
9 Operating expenses (cont'd)		
Security	8,001,212	7,967,808
Education subvention & training	1,326,389	1,155,447
Others	14,810,794	9,319,696
Capital expenditure - building	3,276,180	4,999,188
Capital expenditure - institutional strengthening	-	2,978,839
Capital expenditure - office furniture & equipment	3,399,986	2,990,240
Revenue paid over to consolidated fund	20,276,154	9,555,514
Current subvention returned to consolidated fund	12,268,824	117,272
Capital subvention returned to consolidated fund	123,834	31,733
Total	457,813,881	366,819,835