

AUDIT OFFICE OF GUYANA

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

TOGETHER WITH REPORT OF THE AUDITORS



M. SOOKHAI & CO.
AUDIT | ADVISORY | TAX

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

Opinion

We have audited the accompanying Financial Statements of **AUDIT OFFICE OF GUYANA** which comprise the statement of financial position as at December 31, 2021, the statement of receipts and expenditures for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 3 – 8.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **AUDIT OFFICE OF GUYANA** as at December 31, 2021, and its receipts and expenditures for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities, the Audit Act 2004 and the Fiscal Management and Accountability Act 2003.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are independent of **AUDIT OFFICE OF GUYANA** within the meaning of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements and have fulfilled our other responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those Charged with Governance for the Financial Statements

The Directors/Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards for Small and Medium-Sized Entities, the Audit Act 2004 and Fiscal Management and Accountability Act 2003 and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error and selecting appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

In preparing the financial statements, the Directors/Management is responsible for assessing the Audit Office's ability to continue as a going concern, disclosing applicable matters related to going concern and using the going concern basis of accounting unless management intends to liquidate the Audit Office or to cease operations or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Audit Office's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users, taken on the basis of these financial statements.



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As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design the audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Audit Office's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient, appropriate audit evidence regarding the financial information of the entity or business activities within the Audit Office and to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with the statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.


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October 26, 2022

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**AUDIT OFFICE OF GUYANA
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021**

ASSET	Notes	G\$ 2021	G\$ 2020
Non - Current Asset			
Furniture & Equipment	4	<u>144,495,102</u>	<u>124,495,102</u>
Total Asset		<u><u>144,495,102</u></u>	<u><u>124,495,102</u></u>
 RESERVES AND LIABILITIES			
Reserves			
Capital Contribution	4	<u>144,495,102</u>	<u>124,495,102</u>
Total Reserves and Liabilities		<u><u>144,495,102</u></u>	<u><u>124,495,102</u></u>


 Audrey Badley
 Audit Director (ag)


 Leona Persaud
 Finance Manager (ag)

"The attached notes on pages 5 to 8 form an integral part of these financial statements"

**AUDIT OFFICE OF GUYANA
STATEMENT OF RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Notes	G\$ 2021	G\$ 2020
Income			
Receipts	6 - 8	1,049,446,035	926,481,450
Expenses			
Operating Expenses	9	<u>1,049,446,035</u>	<u>926,481,450</u>
Funds to be Reimbursed		<u><u>-</u></u>	<u><u>-</u></u>

"The attached notes on pages 5 to 8 form an integral part of these financial statements"

**AUDIT OFFICE OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

1. Identification

The Audit Office was granted the status of a subvention agency with effect from April 01, 2006 to August 31, 2015. The Audit Office being a Constitutional Agency was thereafter given a Budget Agency status with effect from September 01, 2015 under the following:

Budget Agency:	08 Audit Office
Chart of Account:	6323 Constitutional Agencies

2. Principal Activity

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

These Financial Statements have been prepared under the historical cost convention. This method of accounting emphasizes that the accounts are intended to record, analyze and present impact of transactions that have already occurred.

(b) Receipts and Payments

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, 2021**

4. Furniture and Equipment

Items of furniture and equipment are measured at cost.

Particulars	G\$ 2021	G\$ 2020
Balance - January 1	124,495,102	106,445,102
Additions for the Year	<u>20,000,000</u>	<u>18,050,000</u>
Balance - December 31	<u>144,495,102</u>	<u>124,495,102</u>

5. Pension Contribution

The Audit Office commenced a private contributory scheme with the Hand-in-Hand Mutual Life Assurance Company Limited with effect from January 2011. Under this arrangement, employees contributes 5% of their salary and government contributes 7% towards the scheme. 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.

Particulars	G\$ 2021	G\$ 2020
Current Subvention	1,016,347,000	890,586,000
Capital Subvention	<u>20,000,000</u>	<u>18,050,000</u>
Total	<u>1,036,347,000</u>	<u>908,636,000</u>

AUDIT OFFICE OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

7. Audit Fees Income

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.

Name of Organisation	G\$ 2021	G\$ 2020
Bank of Guyana (FY2020; FY2019)	6,892,030	6,445,683
Bank of Guyana Pension Scheme (FY2020; FY2019)	1144789	1,246,004
Dependant Pension Fund (FY2020; FY 2019)	620,158	689,624
National Trust of Guyana (FY2020; FY 2019)	461,021	496,826
Bank of Guyana - Deposit Insurance Corp. (FY 2020)	1,062,490	-
Power Producers & Distribution Inc. (FY 2019)	645,076	-
Guyana Tourism Authority (FY 2002 - 2004)	604,162	-
Maurice Solomon & Co. Chartered Accountants (FY 2018 - 2019)	1,011,511	-
Atlantic Hotel Inc. (FY 2016)	-	2,600,580
National Frequency Management Unit (FY 2014 - 2018)	-	2,777,791
Integrity Commission (FY 2016)	-	400,708
Sugar Industry Welfare Fund Committee (FY 2016 - 2018)	-	1,741,014
Deposit Insurance Corporation (BOG) (FY 2019)	-	814,491
Public Utilities Commission (FY 2019; FY 2018)	657,798	550,431
Total Audit Fees Income	<u>13,099,035</u>	<u>17,763,152</u>

8. Income

This account comprises of:

Description	G\$ 2021	G\$ 2020
Government Subvention	1,036,347,000	908,636,000
Audit Fees	13,099,035	17,763,152
Other Receipts	-	82,298
Total Income	<u>1,049,446,035</u>	<u>926,481,450</u>

**AUDIT OFFICE OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

9. Operating Expenses	G\$ 2021	G\$ 2020
Employment Costs	850,222,395	764,524,019
Office Materials and Supplies	13,037,630	8,173,896
Fuel, Oil & Lubricants	1,389,948	874,038
Repairs and Maintenance - Building	14,061,791	14,987,134
Repairs and Maintenance - Motor Vehicles	914,151	473,060
Repairs and Maintenance - Equipment	24,822,750	19,471,964
Cleaning and Sanitation	10,443,548	8,507,857
Local Travelling and Subsistence	30,562,590	3,886,000
Overseas Conferences and Official Visits	1,940,492	-
Postage and Cablegram	19,860	13,940
Meals & Refreshments	9,939,726	7,164,086
Telephone	2,564,173	2,489,952
Electricity	7,611,550	11,083,291
Water Rates	1,756,300	2,101,629
Security	4,735,150	6,398,350
Education Subvention and Training	3,591,504	4,993,982
Rates and Taxes	570,830	596,132
Others	38,162,612	34,846,670
Capital Expenditure - Office Furniture & Equipment	9,286,474	18,050,000
Capital Expenditure - Land Transport	6,700,000	-
Capital Expenditure - Building	4,013,526	-
Revenue Paid Over to Consolidated Fund	13,099,035	17,845,450
Total Operating Expenses	<u>1,049,446,035</u>	<u>926,481,450</u>