

# AUDITOR GENERAL'S DEPARTMENT

## Annual Report 2022



Report of The Auditor General on the Financial Transactions and Financial Statements of the Government of Jamaica for the Financial Year Ended March 31, 2022, and Performance Report of the Auditor General's Department.

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## ABBREVIATIONS

ACCA	ASSOCIATION OF CERTIFIED CHARTERED ACCOUNTANTS
AMANDA	APPLICATION MANAGEMENT AND DATA AUTOMATION SOFTWARE
AUGD	AUDITOR GENERAL'S DEPARTMENT
BIGEEP	BOOSTING, INNOVATION, GROWTH & ENTREPRENEURSHIP ECOSYSTEMS PROGRAMME
CAROSAI	CARIBBEAN ORGANISATION OF SUPREME AUDIT INSTITUTIONS
CEP-MSMES	CREDIT ENHANCEMENT PROGRAMME FOR THE MICRO, SMALL & MEDIUM ENTERPRISES
COVID	CORONA VIRUS DISEASE
DBJ	DEVELOPMENT BANK OF JAMAICA
EAU	ECONOMIC ASSESSMENT UNIT
EMC	EXECUTIVE MANAGEMENT COMMITTEE
FAA	FINANCIAL ADMINISTRATION AND AUDIT
FCA	FELLOW CHARTERED ACCOUNTANT
FCCA	FELLOW CHARTERED CERTIFIED ACCOUNTANT
FCGP	FOUNDATIONS FOR COMPETITIVENESS AND GROWTH PROJECT
FINMAN	FINANCIAL MANAGEMENT (SYSTEM)
FPP	FISCAL POLICY PAPER
GFMS	GOVERNMENT FINANCIAL MANAGEMENT SYSTEM
GOJ	GOVERNMENT OF JAMAICA
IAU	INTERNAL AUDIT UNIT
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
ICDIMP	IMPROVING CLIMATE DATA AND INFORMATION MANAGEMENT PROJECT
IDB	INTER-AMERICAN DEVELOPMENT BANK
IDI	INTOSAI DEVELOPMENT INITIATIVE
IFRS	INTERNATIONAL FINANCIAL REPORTING STANDARDS
IFSLM	INSTITUTE OF FORENSIC SCIENCE AND LEGAL MEDICINE
IMER	INTERNAL MONTHLY ECONOMIC REPORT
INDECOM	INDEPENDENT COMMISSION OF INVESTIGATIONS
INTOSAI	INTERNATIONAL ORGANIZATION OF SUPREME AUDIT INSTITUTIONS
IPSAS	INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS
ISAE	INTERNATIONAL STANDARD ON ASSURANCE ENGAGEMENT
ISO	INTERNATIONAL ORGANIZATION FOR STANDARDIZATION
ISSAI	INTERNATIONAL STANDARDS OF SUPREME AUDIT INSTITUTIONS

ITAU	INFORMATION TECHNOLOGY AUDIT UNIT
ITA-VMS	ISLAND TRAFFIC AUTHORITY – VEHICLE MANAGEMENT SYSTEM
ITEC	INDIAN TECHNICAL AND ECONOMIC COOPERATION
JSIF	JAMAICA SOCIAL INVESTMENT FUND
JVDRP	JAMAICA DISASTER VULNERABILITY REDUCTION PROJECT
MDA	MINISTRY/DEPARTMENT/AGENCY
MOFPS	MINISTRY OF FINANCE AND THE PUBLIC SERVICE
MLGCD	MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT
MLGRD	MINISTRY OF LOCAL GOVERNMENT AND RURAL DEVELOPMENT (FORMERLY MLGCD)
MHURECC	MINISTRY OF HOUSING, URBAN RENEWAL, ENVIRONMENT AND CLIMATE CHANGE
NDP	NATIONAL DEVELOPMENT PLAN
NEPA	NATIONAL ENVIRONMENT AND PLANNING AGENCY
PAC	PUBLIC ACCOUNTS COMMITTEE
PAU	PERFORMANCE AUDIT UNIT
PBMA	PUBLIC BODIES MANAGEMENT AND ACCOUNTABILITY
PCCR	PROMOTING COMMUNITY-BASED CLIMATE RESILIENCE
PIOJ	PLANNING INSTITUTE OF JAMAICA
PMF	PERFORMANCE MANAGEMENT FRAMEWORK
PPC	PUBLIC PROCUREMENT COMMISSION
PSRA	PRIVATE SECURITY REGULATION AUTHORITY
QAU	QUALITY ASSURANCE UNIT
REDI II	RURAL ECONOMIC DEVELOPMENT INITIATIVE PROJECT II
SAI	SUPREME AUDIT INSTITUTION
SAP	STRATEGIC AUDIT PLAN
SDG	SUSTAINABLE DEVELOPMENT GOAL
SRC	SURCHARGE REVIEW COMMITTEE
TAJ	TAX ADMINISTRATION JAMAICA
WGEA	WORKING GROUP ON ENVIRONMENTAL AUDITING
WGFMR	WORKING GROUP ON FINANCIAL MODERNIZATION AND REGULATORY REFORM
WGISTA	WORKING GROUP ON THE IMPACT OF SCIENCE AND TECHNOLOGY ON AUDITING
WGITA	WORKING GROUP ON IT AUDIT
WGPD	WORKING GROUP ON PUBLIC DEBT
WGPPA	WORKING GROUP ON PUBLIC PROCUREMENT AUDIT

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ANY REPLY OR SUBSEQUENT REFERENCE  
TO THIS COMMUNICATION SHOULD BE  
ADDRESSED TO THE AUDITOR GENERAL  
AND **NOT TO ANY OFFICER BY NAME**  
AND THE FOLLOWING REFERENCE  
QUOTED: -

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40 KNUTSFORD BOULEVARD  
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Tel. No.: 926-8309/926-5963/926-5846  
Fax Number: 968-4690

Email: [audgen@auditorgeneral.gov.jm](mailto:audgen@auditorgeneral.gov.jm).

December 30, 2022

The Honourable Speaker  
House of Representatives  
Gordon House  
81 Duke Street  
Kingston

Dear Madam,

Pursuant to the provision of Section 112 (2) of the Jamaican Constitution, I have the honour to submit my report on the results of my examination of the accounts of the Island for the year ended 31<sup>st</sup> March 2022 for tabling in the House of Representatives.

The report is a compendium of the performance of the Auditor General's Department for the period December 2021-November 2022 and all audits conducted up to November 2022.

Yours faithfully,

**Pamela Monroe Ellis (Mrs.)**  
**Auditor General**

## The Auditor General's Review

I present to you my annual report, spanning the 2021/2022 financial year. This report highlights the major activities undertaken and, the corresponding outcomes obtained from our internal programmes, operations and supporting governance mechanisms (section 1); the work conducted by the information technology, economic assessment, performance and special audit units (section 2); and finally, the findings and recommendations stemming from the review of appropriation accounts and financial statements of select entities that were not presented to Parliament as individual reports (section 3). The presentations are done according to our thematic framework, which will assist Ministries, Departments and Agencies (MDAs) in assessing the effectiveness of their internal controls and operational management systems.

Good governance is key to minimizing waste, reinforcing ethical conduct, and optimizing resource utilization. In this regard, the word quality is entrenched in our modus operandi, and, throughout the year, we have sought to improve the way in which we execute our work based on international auditing and legal compliance standards. To this end, through the assistance of the Ministry of Finance and the InterAmerican Development Bank the Auditor General's Department (AuGD) benefitted from a repeat SAI PMF assessment. The report which is being quality assured will be made publicly available once it has been submitted to me. We have worked assiduously to increase our audit coverage and quality. We have been faced with increasing challenges occasioned by staff separation (the most we have experienced) and equal difficulty in attracting persons with the needed combination of qualification and experience owing to our inability to compete in the market space. This has had implications for the implementation of the strategic audit plan within the set timelines.

The progress made during the year has been captured in this report. We have been able to deliver several reports which addressed current issues such as emergency expenditure, IT security and environmental issues in the form of waste management. A number of capacity-building programmes were deployed, aimed at helping our people to develop the skills required; this has further facilitated the maintenance of a competent and diverse workforce. Once again, we have retained our ISO-9001 certification demonstrating our commitment to infuse quality and continuous improvement in all our processes.

In keeping with the stipulations outlined in the constitution, approximately 207 audits were commissioned up to November 2022. Of this figure, 144 have been completed (reports/certificates issued or with entity) and 60 remain as work in progress. Similar to last year's report, resource management and governance have been the dominant themes, majority of which have financial implications attached. It is my objective, through my opinions and recommendations, to foster improvement in public financial management, accountability and transparency. I must reiterate that the audits are undertaken using a sample which is aimed at identifying among other matters errors and irregularities. However, I cannot guarantee that all infractions and deficiencies have been identified.

I wish to thank the heads of Ministries, Departments and Agencies for accommodating the audit staff and the noted effort to provide responses to the reported findings. Finally, I must commend my staff, who through their hard work and tenacious spirit have all contributed to the achievement of our audit objectives, in the interest of promoting and improving governance in the public sector. As we await the arrival of year 2023, we will reflect on our challenges, build on our successes, and seize the countless number of opportunities essential to shaping our future.



**Pamela Monroe Ellis (Mrs.), F.C.C.A, F.C.A**  
**Auditor General**  
**December 2022**

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# SECTION 1

This section provides an overview of the Auditor General's Department (AuGD), its role and major capacity building initiatives undertaken in improving our internal processes and performance over the 21/22 FY.



## Key Highlights:

- About Us
- Our Work
- Governance Framework
- Workforce Capacity
- Capacity Building & Partnerships
- Financial Management
- Stakeholder Engagement
- Quality Assurance-Year in Review
- Internal Audit-Year in Review



## About Us

### Quality Policy

The Auditor General's Department (AuGD) is committed to producing independent high-quality assurance and performance audit reports of public sector entities and economic assessments of Government's fiscal policy papers, consistent with legislative requirements and international auditing standards. The AuGD is committed to continual improvement in meeting or exceeding customer expectations through a highly efficient, motivated, diverse, and performance-driven team.

### Vision

"A better country through effective audit scrutiny".

### Mission

To conduct and make public, high-quality audits and produce recommendations that are relevant to our Auditees, the Parliament, and the Citizens.

## Our Work

Through our work and services, we seek to provide our clients/auditees with a fair and clear opinion on the accuracy of their accounts (for financial audits), examining the robustness of the various internal controls that exist, giving where applicable, actionable, and suitable audit recommendations to improve the governance and financial management frameworks within Ministries, Departments and Agencies (MDAs). In so doing, we can:



Help to reduce risks to improve organizational performance.



By means of our expertise deduce meaningful and impactful insights to increase accountability.



Improve and strengthen internal systems and controls.



Assist in the development of strategies (via recommendations) to propel organizations forward.

## Core Values

### Independence

- we will audit independently of the Executive and Legislative branches, thereby helping to ensure accountability and transparency of Government activities in an objective and impartial way.

### Integrity

- we meet our professional responsibilities in an ethical and fair manner.

### Transparency

- we operate in the spirit of full openness to the Jamaican society about the way in which it uses its public resources and about the impact of its audits.

### Credibility

- we work to constantly build and maintain trust with the general citizenry. We sustain credible, reliable, and trusted professional teams in each respective field within our areas of responsibility.

### Objectivity

- we shall act in an impartial way. Audit conclusions and opinions are based exclusively on evidence.

### Professionalism

- we will undertake our work in accordance with the requirements of international auditing standards.

### Collaboration and Involvement

- we seek to collaborate with and involve all stakeholders in the fulfilment of its responsibilities in a constructive manner.



## Our Strategic Objectives

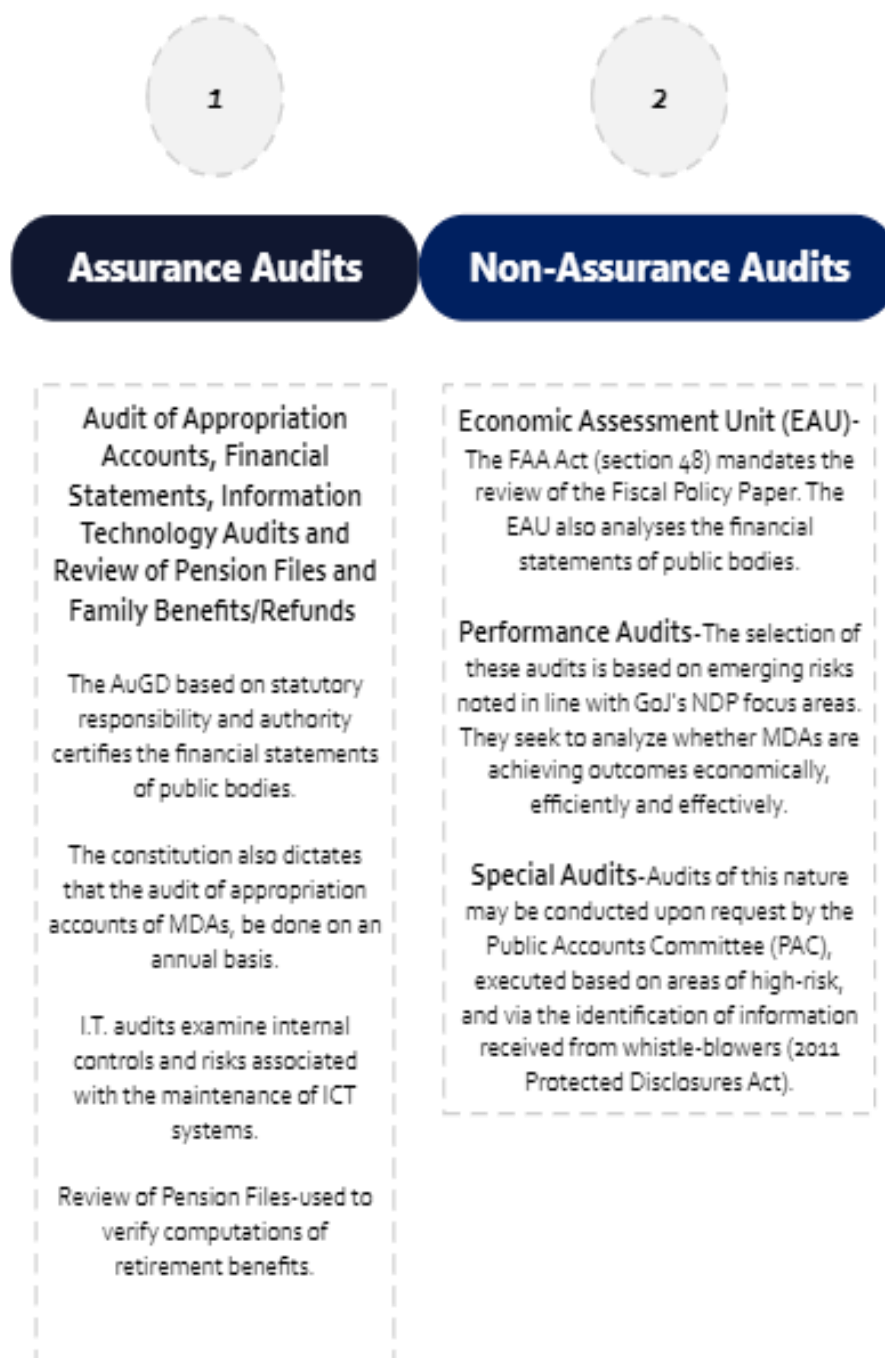
The AuGD has three (3) strategic objectives, with two (2) being outward focused (geared towards our core auditing functions), and the third, being inward focused (centred around our employees). They are as follows:



## The Auditor General's Role



In keeping with the legal requirements and other supporting standards and principles, the AuGD is mandated to execute statutory financial audits of government Ministries, Departments and Agencies (MDAs) and Executive Agencies each year. The AuGD's strategic audit plan (SAP) is used to steer this activity, outlining the audits (both assurance and non-assurance) to be undertaken over a three (3) year period based on the risk profiles of the MDAs and the resources required in achieving our targets. In addition, independent reviews of the Government's Fiscal Policy Paper (FPP) are done annually.

The Department conducts the following activities:



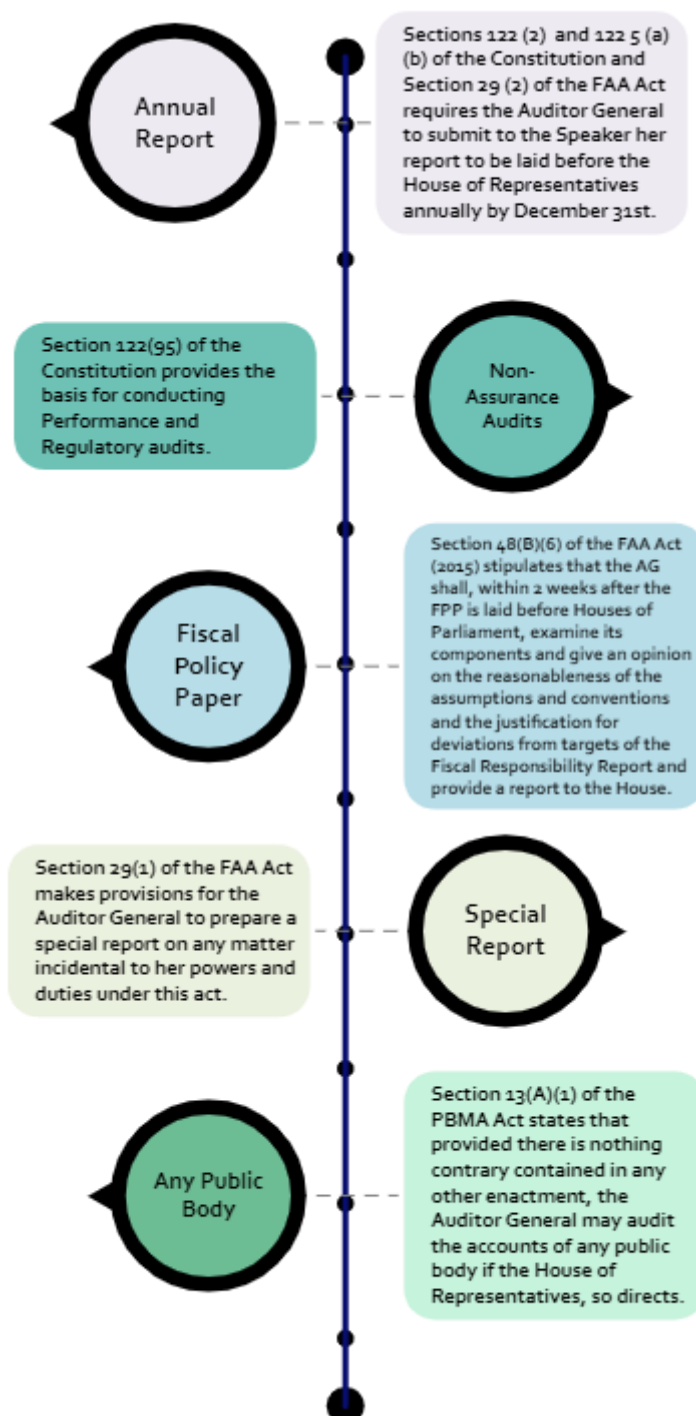


Since the creation of the Vision 2030 Jamaica National Development Plan (NDP) the Department has aligned its strategy to the relevant national goals and corresponding outcomes, specifically Goal 2: the Jamaican Society is secure, cohesive, and just; and national outcome six-effective governance to improve the accountability and transparency frameworks right across the public sector. This is also supported by the United Nations' Sustainable Development Goals (SDGs)-2030 aimed at the development of effective accountable and transparent institutions at all levels.

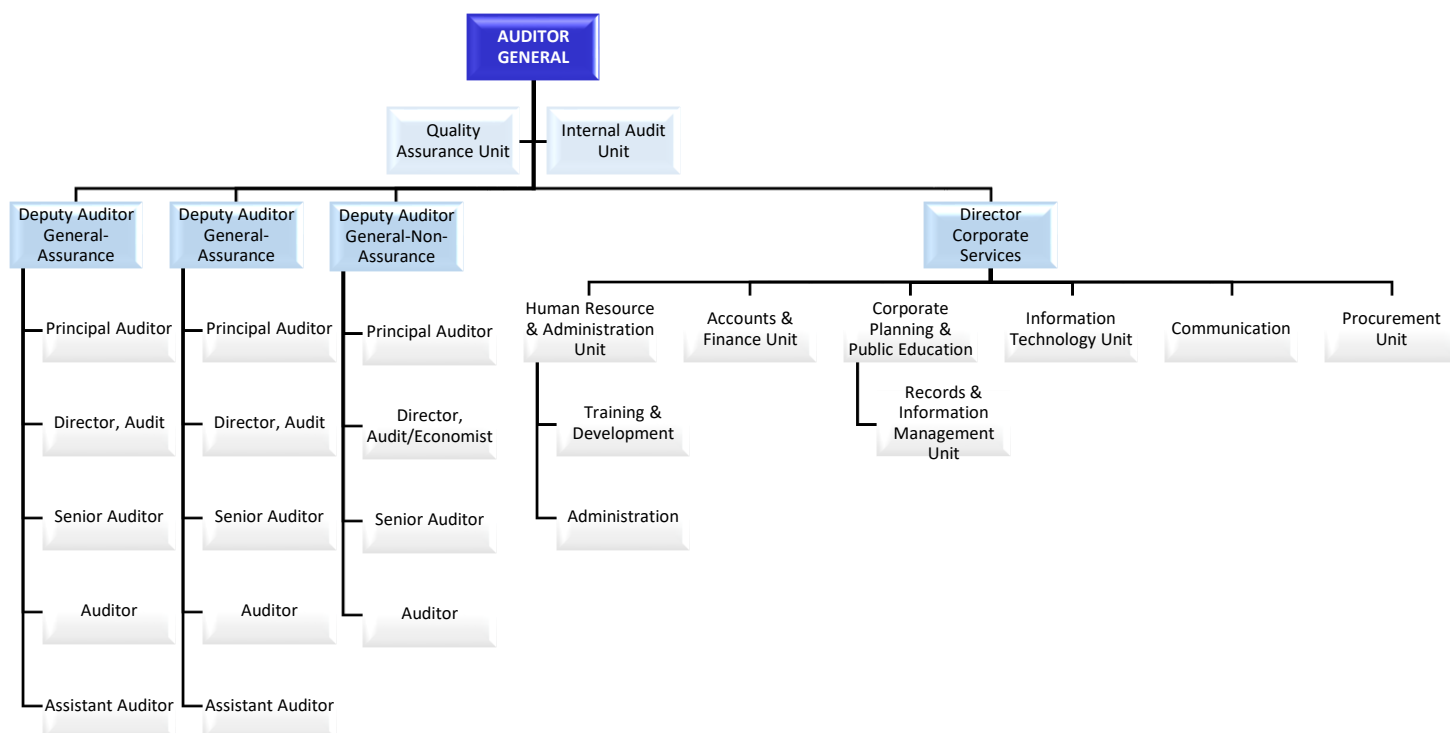
SDG-2030	GoJ NDP-2030	National Outcomes	AuGD's Objectives
<b>16.6 Develop effective, accountable, and transparent institutions at all levels.</b>  	Goal 2: The Jamaican society is secure, cohesive, and just.  National Outcome 6: Effective Governance.	6.1-Strengthen the process of citizen participation in governance.  6.5-strengthen public institutions to deliver efficient and effective public goods and services.  6.7-strengthen the accountability and transparency mechanisms.	SO1: Improve public financial management and governance  SO2: Enhanced stakeholder engagement  SO3: Model public entity

## Guiding Legislation

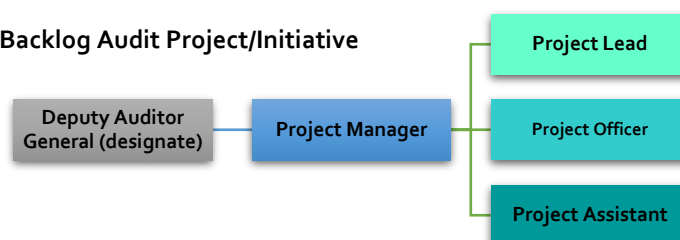
The AuGD is guided by the following legislation as it carries out its operations daily:



# Organizational Structure



## Backlog Audit Project/Initiative



## Our Internal Accountability and Governance Framework

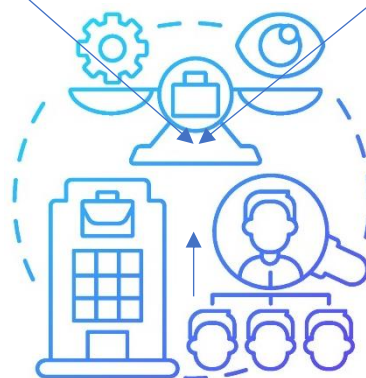
At the foundation of the AuGD's operations is its corporate governance framework that shapes and encourages robust and effective decision making. Several committees have been established over time in making this possible. These said committees meet regularly to maintain effective oversight and control of the AuGD's operations and other key initiatives that are all aligned to the Department's strategy. With this in place we can:

- In line with the GoJ's requirements and other relevant laws and regulations develop supporting policies and procedures with defined responsibilities and accountabilities.
- Control interaction between stakeholders (internal and external), shaping performance and strategy.
- Ensure transparency is kept in safeguarding the interest of our employees.

### The Corporate Services Division

Entrusted with monitoring operational activities relating to:

- Corporate Governance
- Management of Human & Financial Resources
- Procurement Activities
- Records & Information Management, Communication & Technology Systems
- Quality Management System



### The Executive Management Committee (EMC)

The EMC is chaired by the Auditor General and is responsible for the provision of strategic leadership and direction for the operations of the AuGD.

### Internal Oversight

Made up of two (2) units, namely Internal Audit and Quality Assurance. Both units are independent of the audit functions and operational activities of the Department. They are tasked with assessing our procedures and controls in executing our operational and auditing functions.

#### Other Key Supporting Committees:

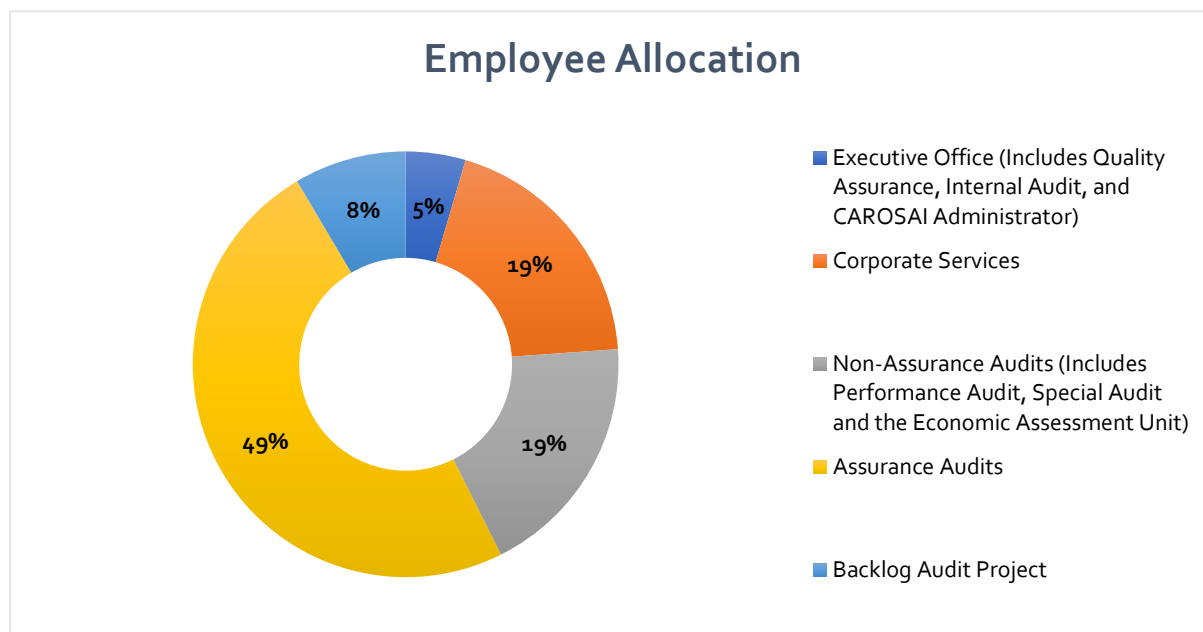
- Business Continuity and Disaster Recovery Working Group (BCDRWG)
- Human Resource Executive Committee (HREC)
- Policy Review Committee (PRC)
- Information Communication Technology & Enterprise Risk Management Steering Committee
- Asset Management Committee

## Workforce Capacity

### Total Resource Allocation

As of 2022 November 30, the AUGD had a staff complement of 156 representing 71.88% of the Department's establishment. Outside of the established 217 positions, the Department has twenty-two (22) temporary positions associated with the Backlog Audit Project (16, for which 15 are filled), a CAROSAI Administrator position (1 post, filled) and five temporary part-time positions (5 posts, 4 filled), presenting total employment figure of 176.

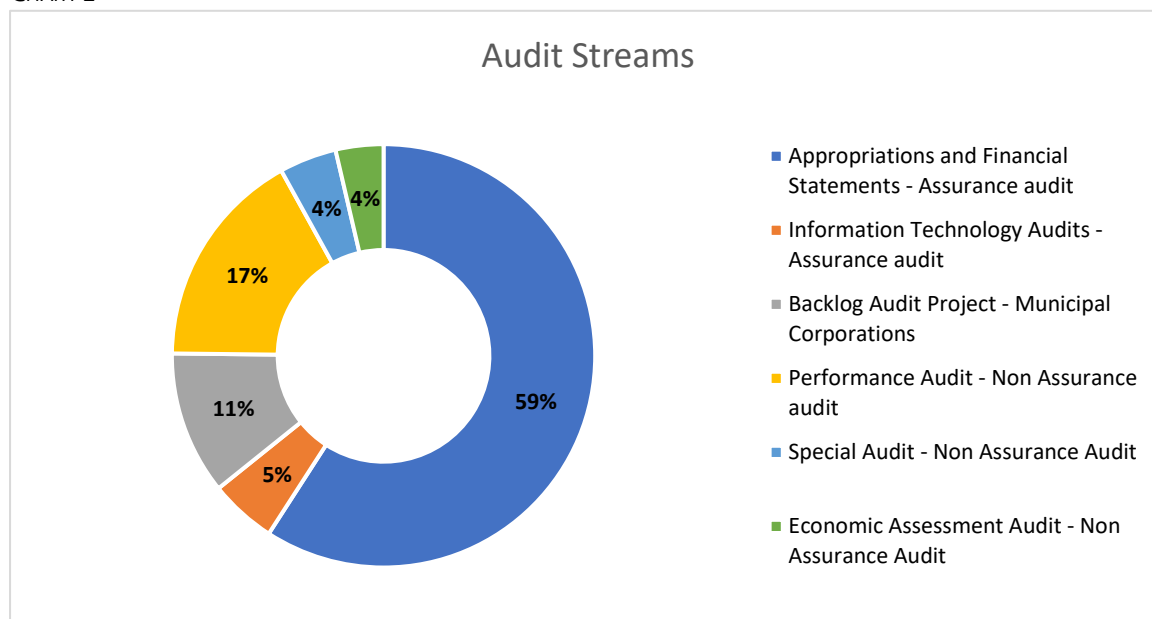
CHART 1



### Resource Allocation Audit Streams

The Audit streams have been divided into two main groupings, Assurance Audits and Non-Assurance Audits. The Auditor General is supported by four Deputy Auditors General, where three are assigned to the Direction of the Audit Streams, one to non-assurance and two to assurance audits. These Deputies have been accounted for the in allocation detailed below.

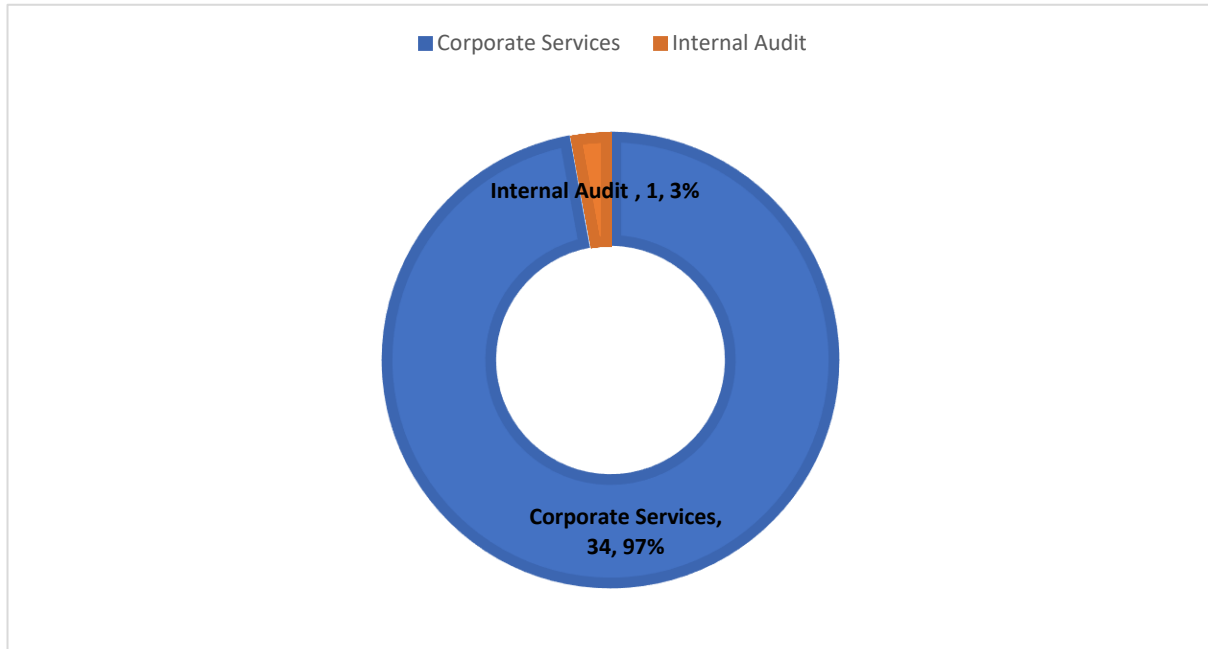
CHART 2



### Resource Allocation Non-Audit Streams

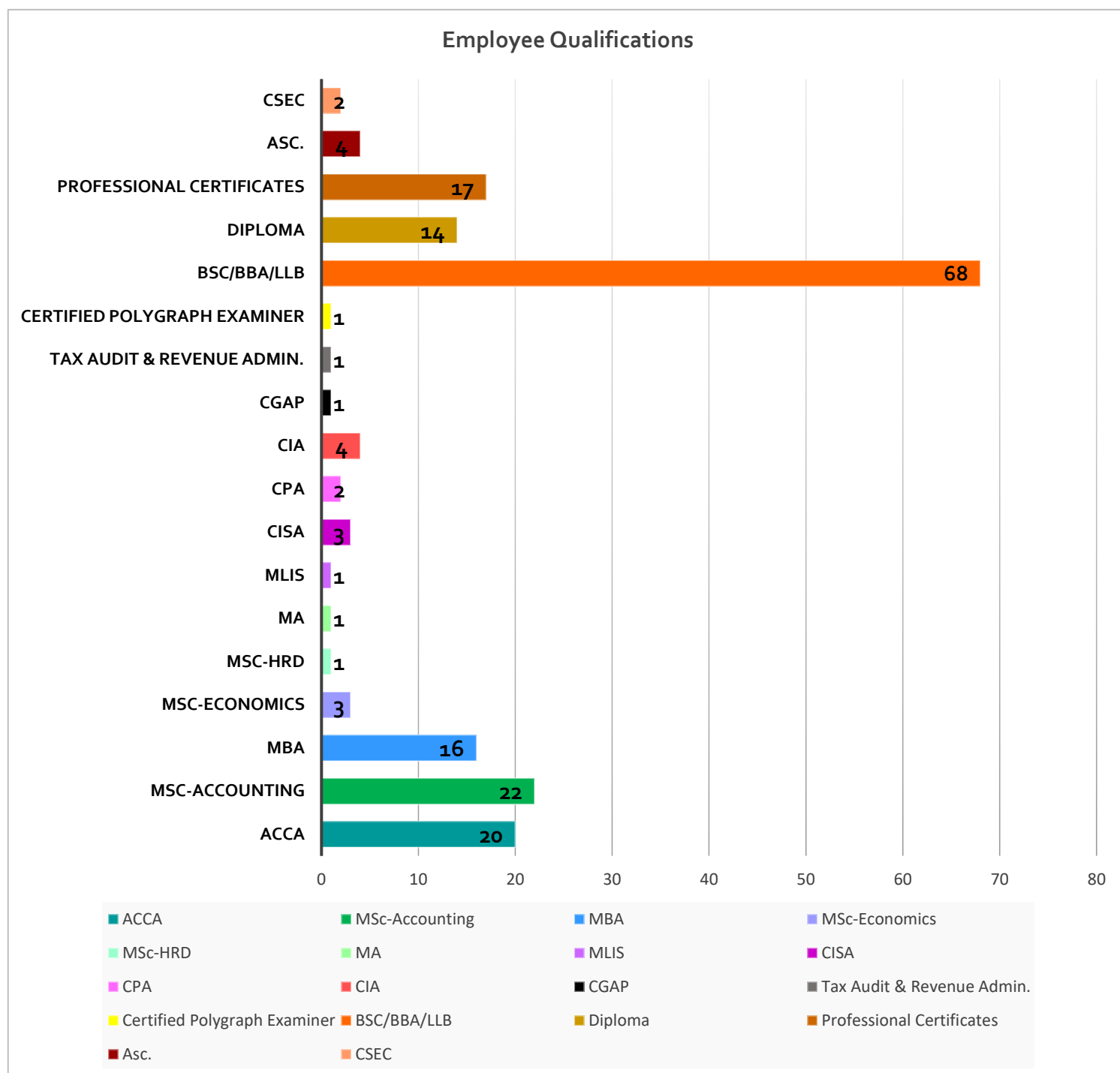
The remaining thirty-five staff members are assigned to Corporate Services and Internal Audit. The fourth Deputy Auditor General or Director of Corporate Services is responsible for the direction of the Corporate Services Division.

CHART 3



## Professionalization Level of Employees

CHART 4



Our employees play a very important role in the achievement of the AuGD's strategic priority areas. Through our highly skilled and competent workforce, we have been able to diversify our products and services, as well as improve the quality of our audit reports.

The Department remains committed in promoting an environment that is performance driven and the development of its staff members by embarking on numerous strategic training programmes and learning initiatives.

## Strengthening of Our Human Capital

The AuGD has adopted over the years an inclusive and strategic approach in the execution of its learning and development programmes and professional development of its employees. We have also sought to utilize other methods of strengthening the knowledge and skill sets of our staff through succession planning (a part of our human resource strategy) and job shadowing/rotation which ultimately will improve the quality of our work both in the present, and in the long-term. This we have realized is necessary in response to the changing landscape of our business environment.

At the tail-end of the year, we have been able to achieve a 100 per cent completion rate of our annual training and development plan and will continue to build on the successes gained in this regard. A combination of online and face-to-face solutions were deployed for training. Special focus was made on the provision of in-house programmes, supported by our own internal personnel, who over the years have demonstrated mastery of their respective professions and skill sets. Several employees went on training geared towards their ascension to new roles and functions (arising from the streamlining of our audit streams into the assurance and non-assurance divisions).

The table below highlights the programmes covered over the period December 1, 2021, to November 30, 2022.

**Table 1**

Audit Enhancing Programmes	Corporate Governance/Soft Skills Programmes	I.T. Security Programmes
<ul style="list-style-type: none"> <li>Data Analytics</li> <li>IFRS Workshop</li> <li>Effectively Leading and Managing Audits</li> <li>Appropriation Accounts</li> <li>CaseWare</li> <li>Evidence Collection and Analysis in a Digital World</li> <li>Selecting and Applying Performance Audit</li> <li>General IT Controls</li> <li>Orientation/Onboarding</li> <li>Selecting and Applying Audits</li> </ul>	<ul style="list-style-type: none"> <li>Intricacies of Payroll &amp; Payroll Taxes</li> <li>Financial Investigations and Accreditations: An Awareness for Managers Training</li> <li>Inventory and Purchasing Management</li> <li>Inventory and Purchasing Management</li> <li>Making Effective Public Policy</li> <li>Orientation/Onboarding</li> <li>General Office Protocol, Customer Service &amp; Professional Conduct (Enhancing Professionalism)</li> <li>Performance Coaching</li> <li>Records and Information Management</li> <li>Supplies Management -Module 1-Level 1</li> <li>Service Skills for Ancillary Workers</li> <li>Introduction to Human Resource</li> <li>Government Accounting (Level 1 Module 1&amp;3)</li> <li>Fundamentals of Leadership</li> <li>ICAJ-GCT Webinar</li> <li>ICAJ- Elements of Business Continuity Planning Webinar</li> </ul>	<ul style="list-style-type: none"> <li>Fortigate Security</li> <li>Fortigate Analyser</li> </ul>



In the upcoming years we will seek to ensure that:

- Our capacity building/training activities continues to be aligned to the strategic objectives of the AuGD.
- Our framework for learning is general enough to be applied across all units, but specific enough to effectively address niche training requirements.
- Our reports and analysis of programmes undertaken is in-depth and concise to inform decisions made and strategies developed.
- Training activities are tailored to personal needs (as evidenced in professional development plans-PDPs) so that content can be easily grasped and applied to the job.

### What we Hope to Achieve

**1**



Consistently defining strategic initiatives and priority areas.

**2**



Training Needs Analysis and Gap Analysis.

**3**



Tailored/personalized training.

**4**

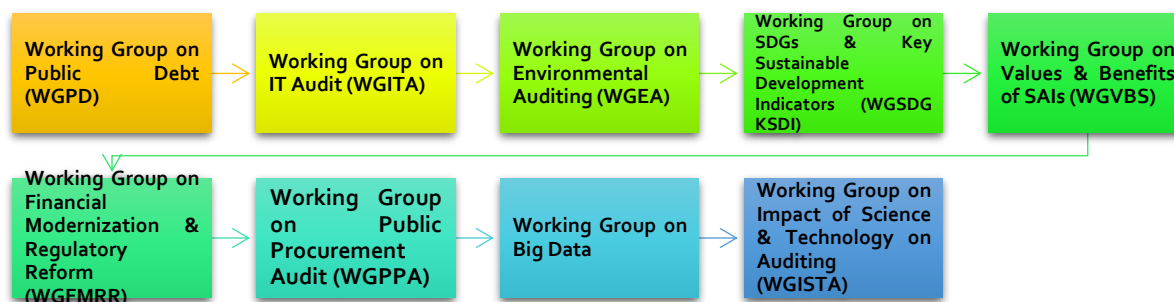


Analyze results routinely/ re-adjust strategy and programmes.

## Partnerships

Through our collaborative efforts (by means of our membership to the Caribbean Organisation of Supreme Audit Institutions-CAROSAI and association with the external government audit community International Organization of Supreme Audit Institutions-INTOSAI) over the years, we have been able to facilitate knowledge and information sharing, that has bolstered our technical capabilities and improved the quality of our work and audit products.

Some of our employees serve as AuGD's representatives on various INTOSAI Working Groups:



- **Working Group on Public Debt (WGPD)**-focused on preparation and publication of guidelines and other materials for use by SAIs to encourage proper reporting and sound management of public debt.
- **Working Group on IT Audit**-aimed at supporting SAIs in developing their knowledge and skills in the use and audit of information technology by providing information and facilities for exchange of experiences and encouraging bilateral and regional cooperation.
- **Working Group on Environmental Auditing (WGEA)**-encourages the use of audit mandates and audit methods in the field of environmental protection and sustainable development (improving quality of environment, management of natural resources, health, and prosperity).
- **Working Group on SDGs and Key Sustainable Development Indicators (WGSDG KSDI)**-intended to enhance the role of SAIs in assessing the efficiency and effectiveness of national resources, facilitate information and knowledge sharing.
- **Working Group on Values and Benefits of SAIs (WGVBS)**-development of papers, guidelines, among other tools focused on exchange and access to knowledge, experiences, and best practices on how audit contributes to improving both performance of government and quality of life of citizens.
- **Working Group on Financial Modernisation and Regulatory Reform (WGFMR)**-aims to assist SAIs in addressing challenges that exist by developing tools and knowledge sharing opportunities for evaluating national reforms at national and international levels.
- **Working Group on Public Procurement Audit (WGPPA)**-geared towards the development of universally accepted common approaches and procedures of procurement contract audit, analysis of international procurement contract audit standards.

- **Working Group on Big Data**-its objective is to identify challenges and opportunities faced by SAs in the era of big data; summarize knowledge and experience in field of big data audit; and strengthen relevant bilateral and multi-lateral technical cooperation.
- **Working Group on Impact of Science and Technology on Auditing (WGISTA)**-primarily focused on developments in areas such as artificial intelligence, blockchain technology, cybersecurity, data analytics, 5G cellular network technology among others, that will have an increasing impact on governments and their auditors.

## Financial Management

### APPROPRIATION ACCOUNT 2021/2022 HEAD 05000 – RECURRENT EXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED ESTIMATES AND EXPENDITURE

#### Activity 0005 – Direction and Administration

##### Object

##### 21 Compensation of Employees – \$0

##### 22 Travel Expenses and Subsistence – Savings \$689,786.38

The saving of \$689,786.38 resulted from the separation of the contract for one officer who was in receipt of fixed travel, in July 2021. No additional staff was employed to replace the officer in the year.

##### 23 Rental of Property & Machinery – Savings \$5,585,424.43

Payment for rental of parking spaces and office buildings is executed upon receipt of invoices. All efforts were made to get outstanding Invoices for payment before the close of the fiscal year. In addition, the Estimates of Expenditure (budgetary provision) for the rental of car park was predicated on a pro-rated 6 months for telecommuting due to Covid-19 and 6 months in person in anticipation of the end of the Pandemic. The pandemic however saw the extension of the telecommuting policy which meant that the number of spaces would not see a significant increase as anticipated.

##### 24 Utilities and Communication Services – Savings \$607,947.12

The saving of \$608,000 resulted from the over budgeting for the Switchboard and Cable services, whilst the expenditure for CUG and private telephone lines exceeded the budgeted amounts due to additional handsets acquired, as shown in the table below:

**Table 2**

Expenditure type	Estimates of Expenditure	Actual Expenditure	Variances (+/-)
Switchboard	6,240	4,666	1,574
Private Telephone land line	546	718	(172)
Closed User Group (CUG)	6,084	6,815	(731)
Internet	234	331	(97)
Cable Services (TV Services)	234	189	45
Website Hosting	250	276	(26)
Other Communication Device	15	-	15
	<b>13,603</b>	<b>12,995</b>	<b>608</b>

##### 25 Use of Goods and Services – Savings \$11,714,432.42

\$11M saving was realised under this object as a consequence of deliberate action and in response to the ongoing Pandemic. By curtailing expenditure on toiletries, cleaning items, Stationery & Office Supplies, and refreshments due to meetings and training activities being conducted online. These savings allowed the Department to acquire additional

CASEWARE licenses by reallocating \$7M to Object 32. The following are some of the factors that contributed to the savings of \$11M:

- Legal Services was estimated for \$1M, only 35% was utilized
- The Communication budget (public relations & local promotions) was budgeted as \$4.1M no expenditure was carried out for this activity
- Due to the pandemic only \$480,000 was expended from a budget of \$1.2M for Staff welfare fund.
- A provision of \$3.6M was made for security services based on the new contract and anticipation of increased rates, only \$2.5M was spent.
- \$2.3M was included in the estimates for Janitorial & Waste Disposable Services of which 17%, was utilized.

**27 Grants and Contribution– Excess \$480,000.00**

During the year a \$40,000 one-off-taxable grant, payable to employees in receipt of the 4% increase in Salary and Wages and whose basic pay is \$1.5M or less per annum was made. The AuGD made a budgetary request for \$840,000. The MOF&PS had initially sent correspondence regarding including the amount in an FCA; however, we were later informed that it was not regularised. This resulted in the \$480,000 excess, for which a virement was later approved.

**29 Awards and Social Assistance – Savings \$15,000.00**

Provision was made to refund tuition fees to four (4) members of staff in keeping with the relevant Ministry of Finance Guidelines at the maximum level. Five requests were processed but the actual amount refunded was less than anticipated.

**32 Capital Goods – Excess \$4,751,832.25**

A virement of \$7M from object 25 was done to accommodate the acquisition of thirty-four (34) additional CASEWARE licenses due to a merger of Compliance Audit Unit with Financial Statement Unit. However, the Ministry of Finance did not make the adjustment in the supplementary estimates, which resulted in an excess of \$4,751,823.25, for which a virement was later approved.

**Appropriations-In-Aid (AIA)-Excess-\$3,387,719.28**

Budgetary Provision	\$5,000,000.00
Actual Collections	<u>\$8,387,719.28</u>
Excess Collection	\$3,387,719.28

AIA collected were more than the projected receipts; the amounts collected were paid into the Treasury Single Account (TSA) to defray the cost of auditing software tools; TEAMMATE, CASEWARE, as per Ministry of Finance approval.

**Activity 0007 – Regional Organization**

**27 Grants and Contribution– Savings \$85,691.99**

Actual subscriptions paid were less than budgeted amount, due to a difference in foreign exchange rate.

**Activity 0280 – Administration of External Audit Services**

**21 Compensation of Employees – Savings \$20,751,530.95**

One of the Department's strategies was to employ temporary officers at varying levels to undertake a Backlog Audit Project over a two-year period aimed at bringing the audited financial statements of a number of entities mainly the Local Authorities up to date.

Funds were provided in support of the Backlog Audit Project in the Department's budgetary allocation to commence in April 2021 for the full year. However, MOF&PS only granted approval to commence the recruitment process in July 2021. In addition, most of the applicants who responded to the advertisements did not meet the required standards or were mainly interested in permanent employment thus targeted timelines were missed. Further recruitment efforts completed between November 2021 and January 2022 resulted in successful candidates assuming duties in February 2022. This delay accounts in large part for the unspent funds. All other planned recruitment activities were executed between the third and fourth quarters of the financial year.

A total of eight (8) officers joined the Department; four (4) between May and December 2021 and four (4) in February 2022, whilst one (1) officer resigned, this resulted in a savings of \$20.7M.

## **22 Travel Expenses and Subsistence – Savings \$11,102,194.20**

One of the Department's strategies was to employ temporary officers at varying levels to undertake a Backlog Audit Project over a two-year period aimed at bringing the audited financial statements of a number of entities mainly the Local Authorities up to date.

Funds were provided in support of the Backlog Audit Project in the Department's budgetary allocation to commence in April 2021 for the full year. However, MFPS only granted approval to commence the recruitment process in July 2021. In addition, most of the applicants who responded to the advertisements did not meet the required standards or were mainly interested in permanent employment thus targeted timelines were missed. Further recruitment efforts completed between November 2021 and January 2022 resulted in successful candidates assuming duties in February 2022. This delay accounts in large part for the unspent funds. All other planned recruitment activities were executed between the third and fourth quarters of the FY.

A total of eight (8) officers joined the department; four (4) between May and December 2021 and the remaining four (4) in February 2022, whilst one (1) officer resigned, the travel budget for 2021/2022 included \$11.7M for Backlog Audit project.

## **27 Grants and Contribution - \$0**

**Pamela Monroe Ellis (Mrs.)**  
**Accounting Officer**  
**30/12/2022**

Figure 1

## Breakdown of Expenditure (By Object) and Comparative Analysis



Table 3

Activity 10280-Administration of Audit Services			
Activity/Object	2020/2021 FY	2021/2022 FY	Variance
Compensation of Employees-21	\$423,814,606.85	\$468,327,469.05	\$44,512,862.20
Traveling and Subsistence-22	\$139,048,305.97	\$142,609,805.80	\$3,561,499.83
Use of Goods and Services-25	\$0.00	-	\$0.00
Grants, Contributions and Subsidies-27	-	\$40,000.00	\$40,000.00
<b>Total</b>	<b>\$562,862,912.82</b>	<b>\$610,977,274.85</b>	

Table 4

Activity 10005-Executive Direction and Administration			
Activity/Object	2020/2021 FY	2021/2022 FY	Variance
Compensation of Employees-21	\$93,896,048.77	\$106,988,000.00	\$13,091,951.23
Traveling and Subsistence-22	\$24,662,544.25	\$23,869,213.62	-\$793,330.63
Rental of Property and Machinery-23	\$58,210,601.81	\$58,474,575.57	\$263,973.76
Utilities and Communication Services-24	\$12,162,393.76	\$12,995,052.88	\$832,659.12
Use of Goods and Services-25	\$50,952,815.66	\$51,917,567.58	\$964,751.92
Grants, Contributions and Subsidies-27	\$0.00	\$800,000.00	\$800,000.00
Awards and Social Assistance-29	\$370,034.85	\$1,985,000.00	\$1,614,965.15
Capital Goods-32	\$25,745,057.76	\$38,244,832.25	\$12,499,774.49
<b>Total</b>	<b>\$266,230,442.51</b>	<b>\$295,274,241.90</b>	

Table 5

Activity 10007-Payment of Membership Fees and Contributions			
Activity/Object	2020/2021 FY	2021/2022 FY	Variance
Grants, Contributions and Subsidies-27	\$230,945.65	\$314,038.01	\$83,362.36
<b>Total</b>	<b>\$230,945.65</b>	<b>\$314,038.01</b>	

## Stakeholder Consultation and Engagement

### Social Media Usage

Social media platforms, such as Twitter and LinkedIn are used to increase the awareness of our work and widen the reach of our audit reports to the general public. Our followers and viewers by accessing these platforms are provided with updates on the audits being conducted, publication of reports following their being laid before Parliament, as well as job advertisements/career opportunities whenever they arise. We utilize various multimedia formats to summarize and capture key findings coming out from the audits and their corresponding recommendations.

#### LinkedIn

10,163 impressions



For the December 2021 to November 2022 period, a total of 10,163 impressions were received on the Department's LinkedIn platform, with the months of January, May, June, and October accounting for the highest level of activity. Additionally, over three thousand views were noted.

#### Key Demographic Groups

- Auditors
- Corporate/Finance Specialists
- Consultants
- Salespersons
- Executive Directors
- Accountants
- Business Strategists
- Internal Auditors

#### Twitter



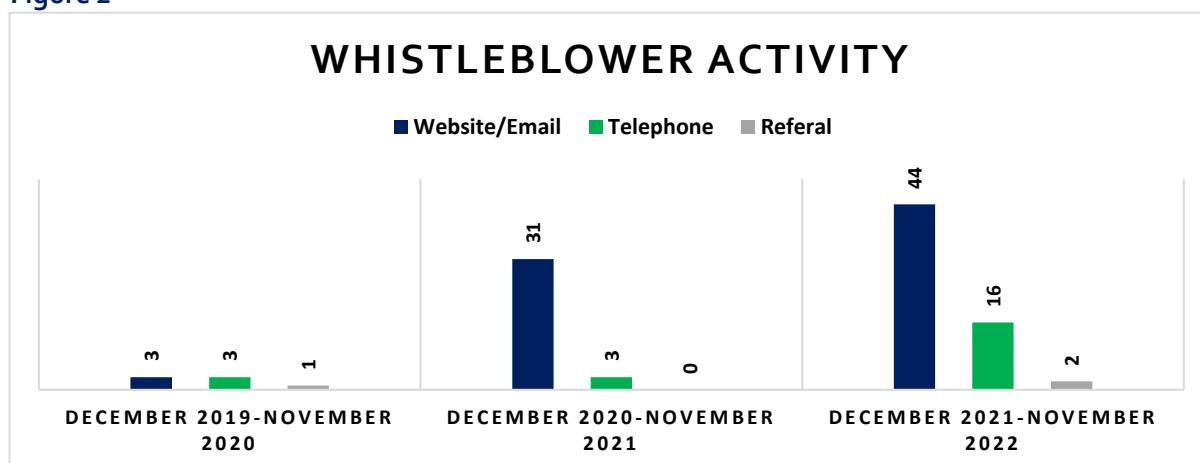
22,271 impressions

As noted in last year's Annual Report, the AuGD's twitter page experienced fluctuation in user activity, depending on the nature of the tweet and the public's interest in our published reports. Approximately 22, 271 tweet impressions were received, some 7,271 more than what was captured for the December 2020 to November 2021 period. January had the highest level of user traffic (9,792 impressions and 458 engagements/views), in part to the publication of the Department's annual report in late December of 2021. A tweet impression is generated by the sharing and liking of AuGD content by its followers, which then translates to their followers viewing the content.



## Whistle-Blower Activity

Figure 2



Members of the public, through the Department's feedback mechanisms can submit relevant information highlighting allegations of fraud, misappropriation of government funds and non-compliance with policies, procedures and/or legislation. This data may also have an impact on the scope of our audit plans, upon review and analysis of the submissions made. These reports can be either be made via telephone, email, mail, or the websites anonymous mechanism.

This year, an increase has been noted in the receipt of complaints, across all mediums. Forty-four reports were made via the Department's website and email address. Additionally, some sixteen (16) calls were received, thirteen more than the figure recorded for the December 2020 to November 2021 period. The Department has commenced the review process for complaints received, and where applicable, actionable audits will be incorporated into our audit plan for execution.

### Revision of our Stakeholder Strategy

As seen in strategic objective two (2), stakeholder engagement is a priority area for the AuGD. Continuous revision of the Department's Strategic Stakeholder Engagement Plan (created in 2018) was undertaken (with the most recent being in the first quarter of 22/23 FY) with the intention of widening stakeholder participation and input, providing a more comprehensive analysis of their desires and for further strategy development. The AuGD was also able to ascertain what worked as opposed to what did not and as such will seek to address gaps throughout the life of the plan.

## Leading by Example-Internal Oversight

### Quality Assurance Unit

#### Our Achievements



The QAU conducted 20 reviews over the period, five of which were in progress at the end of the reporting period.

The QA unit participated in the second ISO Surveillance audit process, conducted by the NCBJ for the AuGD.

Members of the QA unit participated in various training programmes during the year.

### The Year in Review

The Quality Assurance (QA) Unit is responsible for providing the assurance that the standards and methodologies employed by our auditors in conducting the audits of the MDAs are maintained at a high level in keeping with the International Standards of Supreme Audit Institutions (ISSAIs), and the reports issued are appropriate.

The unit planned its reviews in tandem with the strategic objectives of the AuGD. The selection of QA reviews focused on a coverage of the most high/medium risk audits undertaken by the various audit units within the Department. During the reporting period, the unit improved on the number of reviews conducted when compared with the previous period.

## The Year Ahead

We will continue to focus on reviews of high-risk audits, specifically those which are tabled in Parliament.

We will continue keep abreast of emerging/revised international standards.

We will continue to assist the Department by identifying audit areas which require improvement and make the necessary recommendations for training.

## Quality Assurance Reports

During the period December 2021 to November 2022, the QA unit successfully completed fourteen (14) quality assurance reviews and reports. The completed reviews comprised six assurance audits and eight non-assurance audits. A partial review was also conducted on the Interim Report on the Examination of the Fiscal Policy Paper prepared by the Economic Assessment Unit, while five other QA reviews of audits remained as works-in-progress for the reporting period.

The quality assurance reviews completed and those in progress during the reporting period are summarized in the table below.

Table 6

Audit Entities/Topics	Audit Type	QAR of Entire Audit Process
Ministry of Local Government & Community Development (MLGCD)	Appropriation Accounts	✓
Ministry of Health and Wellness (MOHW) COVID-19 Expenditure	Compliance	✓
Passport, Immigration and Citizenship Agency (PICA)	Information Technology	✓
Tourism Product Development Company (TPDCo)	Performance	✓
Universal Service Fund (USF)	Financial Statement Assessment	✓
Nutrition Products Limited (NPL)	Performance	✓
Joint Committee on Tertiary Education (JCTE)	Special	✓
Jamaica Information Service (JIS)	Financial Statements	✓
National Environmental & Planning Agency (NEPA)	Financial Statements	✓
National Solid Waste Management Authority (NSWMA)	Performance	✓
Urban Development Corporation (UDC)	Performance	✓
Development Bank of Jamaica (DBJ)	Special	✓
National Solid Waste Management Authority (NSWMA)	Financial Statement Assessment	✓
Firearm Licensing Authority (FLA)	Financial Statements	✓

Audit Entities/Topics	Audit Type	QAR of Entire Audit Process
<b>Examination of the Components of the Fiscal Policy Paper (Interim)</b>	Economic Assessment Report	Partial Review
<b>Clarendon Alumina Production (CAP)</b>	Performance (In Progress)	✓
<b>Application Management and Data Automation (AMANDA)</b>	Information Technology (In Progress)	✓
<b>Major Infrastructural Development Projects (MIDP) - Procurement &amp; Contracts Management.</b>	Performance (In Progress)	✓
<b>Ministry of Labour and Social Security (MLSS) – National Insurance Fund (NIF) Equity Management</b>	Performance (In Progress)	✓
<b>Jamaica Social Investment Fund (JSIF) – Jamaica Disaster Vulnerability Reduction Project (JDVRP)</b>	Financial Statements (In Progress)	✓

### Our Findings

The QA unit continued to see improvements in areas identified as non-conformities in prior years. Where there were observed deficiencies, the relevant report along with the appropriate recommendations were submitted for the review and consideration of the Executive Management Committee of the AuGD. Of note, non-conformities identified during QA reviews, were either addressed before reports were published, or did not compromise the audit process nor affect the integrity for those audit reports which were issued prior to the QA review.

In keeping with the Quality Management Systems, the QA unit supported the commitment of senior management in maintaining high quality standards within the Department and the strategic decisions taken to ensure consistency in the high-quality audits being conducted and the reports issued by the AuGD.

### Looking Forward

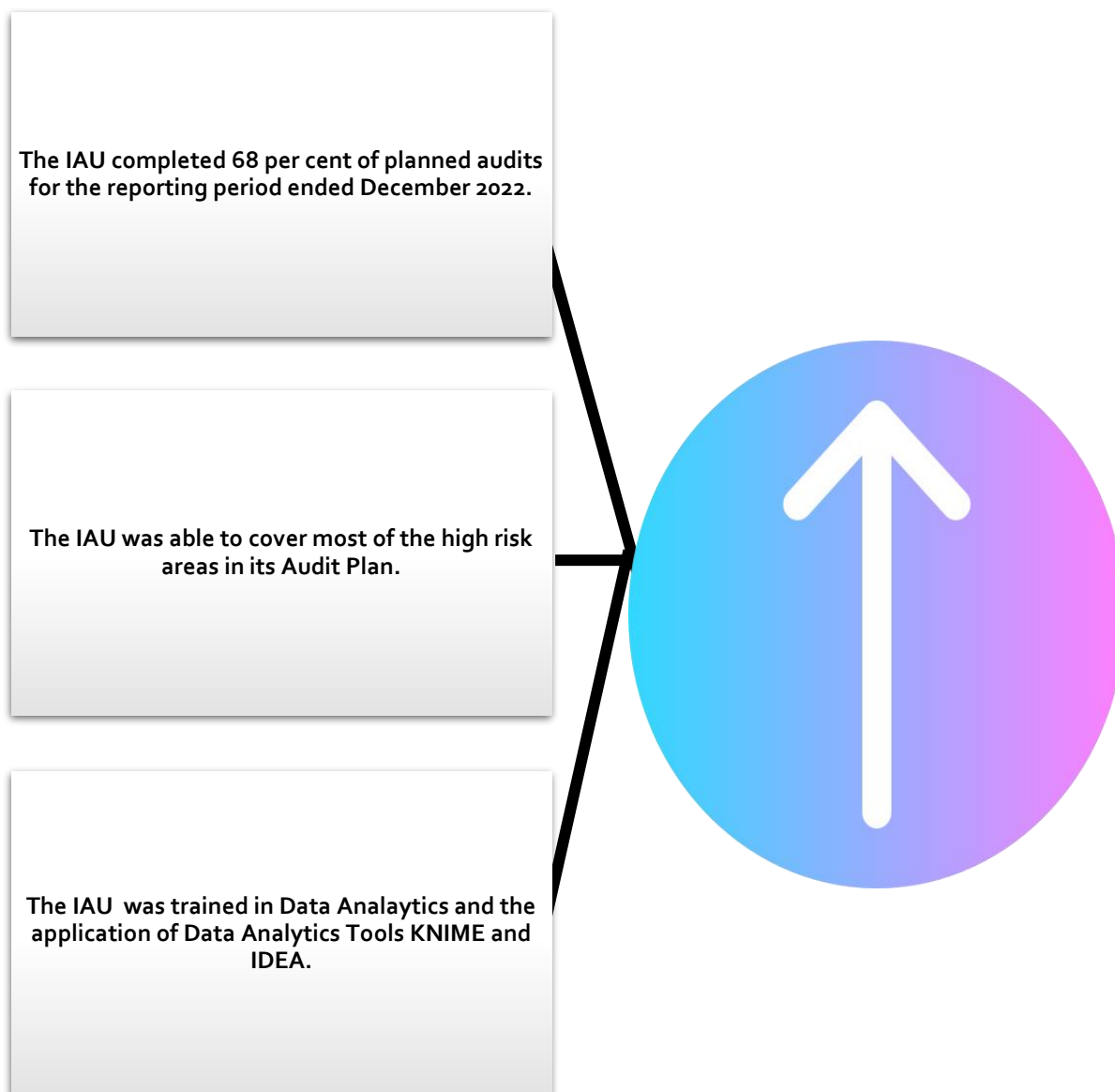
The QA unit will continue to support the continued improvement of the Department which is in keeping with both the International Standards of Supreme Audit Institutions (ISSAIs) and the International Organization for Standardization (ISO) Quality Management System (QMS).

The Department continues to maintain the highest standards in keeping with the ISO Certification 9001:2015 for Quality Management Systems and completed the second surveillance audit in year two of its ISO certification. Accordingly, the QA unit will continue to participate in the follow up audits of the Department's Quality Management System on a periodic basis.

The QA unit remains committed to conducting its reviews in a professional and objective manner and add value by enhancing the credibility and reputation of the AuGD, and in meeting our stakeholders' expectations.

## Internal Audit Unit

### Our Achievements



The Internal Audit Unit is tasked with examining the Auditor General's Department's system of internal control, risk management and government processes. The authority to establish and maintain an IAU is vested through section 34 of the Financial Administration and Audit Act. The IAU prepares an annual audit plan that guides the activities of the Unit for the review period. This mandate is fulfilled through the implementation of this audit plan and unplanned verifications of accounting and human resource related information requested by the Corporate Services Unit and the MoFPS.

## The Year Ahead

The IAU plans to complete audits in the area of Information Security to assess the Departments readiness for GOJ Data Security regulations

Migration to the TeamMate + platform

The IAU plans to assist the Department in preparing for its ISO 9001 Quality Management System re-certification audit

## Internal Audit Reports

During the year, the IAU reviewed and reported on the Department's Fixed Assets Records to ensure compliance with the GoJ Comprehensive Asset Management Policy. Reviews were also completed on the Monthly Financial Statements as well as the Appropriation Accounts for the fiscal year ended March 31, 2022. The Department's Appropriation Accounts were prepared in accordance with the directives of the Financial Administration and Audit Act. The Unit also conducted audits of the AuGD's Personnel Files to ensure that they are maintained according to the regulations. The IAU continues to complete unplanned verifications and pre-audits requested by the Corporate Services Division and the MoFPS. Quarterly follow-ups of the status of the implementation of audit recommendations were completed to track Management's actions in response to audit recommendations.

The IAU also spearheaded the internal audit of the Department's Quality Management System, which assisted the Department in maintaining its ISO 9001:2015 Quality certification at the second surveillance audit conducted in October 2022 by the National Certification Body of Jamaica. The Unit continues to monitor the Departments Quality Management System through regular follow-ups to ensure sustained conformance to the ISO standards.

The following audits were completed by the IAU and presented to the Audit Committee during the reporting period.

**Table 7**

### AUDIT TOPICS

Appropriation Accounts (2021/2022)

Monthly Financial Statements

Maintenance of Personnel Records

Motor Vehicle Travel Allowance

Fixed Assets

Petty Cash

Salary Arrears arising from Public Sector Wage Movement

Internal Audit of the Auditor General's Department Quality Management System

Quarterly follow-up on the Implementation Status of Audit Recommendations

Quarterly Contract Awards

## AUDIT TOPICS

### Unplanned Audits via the Corporate Services Division

- Verification of Performance based Salary arrears
- Verification of Vacation Leave and final payments for Officers who resigned from the service
- Verification of Widows and Orphans returns to officers that resigned/retired from the service
- Gratuity Payments
- Back to school one-off payment

## Looking Forward

The IAU remains motivated to continue adding value to the Department. In that regard the IAU will be conducting audits of the Department's Information Security and Disaster Recovery plans. The Unit anticipates the migration to the TeamMate® Plus platform which was originally scheduled for the previous year to be completed in the coming year. TeamMate plus is the cloud-based version of the audit management software that government internal auditors utilise and should seamlessly support the GoJ telecommuting efforts.

# SECTION 2





## PROVIDING ASSURANCE

### Key Highlights:

- Performance of the Assurance Audit unit-for Financial Statements, Appropriation Accounts, and Information Technology Audits.
- Non-Assurance Audits (Year in Review and Achievements)-Economic Assessment, Special and Performance Audits.



## LINKAGES

SDG-2030	GoJ NDP-2030	National Outcomes	AuGD's Objectives
<b>16.6 Develop effective, accountable, and transparent institutions at all levels.</b>  	Goal 2: The Jamaican society is secure, cohesive, and just.  National Outcome 6: Effective Governance.	6.1-Strengthen the process of citizen participation in governance. 6.5-strengthen public institutions to deliver efficient and effective public goods and services. 6.7-strengthen the accountability and transparency mechanisms.	SO1: Improve public financial management and governance  SO2: Enhanced stakeholder engagement  SO3: Model public entity

## APPLICABLE STRATEGIC OBJECTIVES

**SO1:** *Independent and high-quality audits to improve Public Financial Management & Governance*  
**SO2:** *Promote and engender change in the public service through effective stakeholder engagement*

## ASSURANCE AUDIT

### Financial Statements and Appropriation Accounts

**2.1.1.** The services provided by the Assurance Unit include the audits of Financial Statements prepared by Municipal Corporations, Statutory Bodies, Executive Agencies, Internationally Funded Projects as well as the annual Appropriation Accounts of MDAs. These audits are undertaken to express an opinion on whether the Financial Statements prepared and presented by management are free from material misstatements and are presented in accordance with the applicable financial reporting framework. The Assurance unit also conducts verification of the final computation for payment of pension awards, refunds, and family benefits to former public officers.

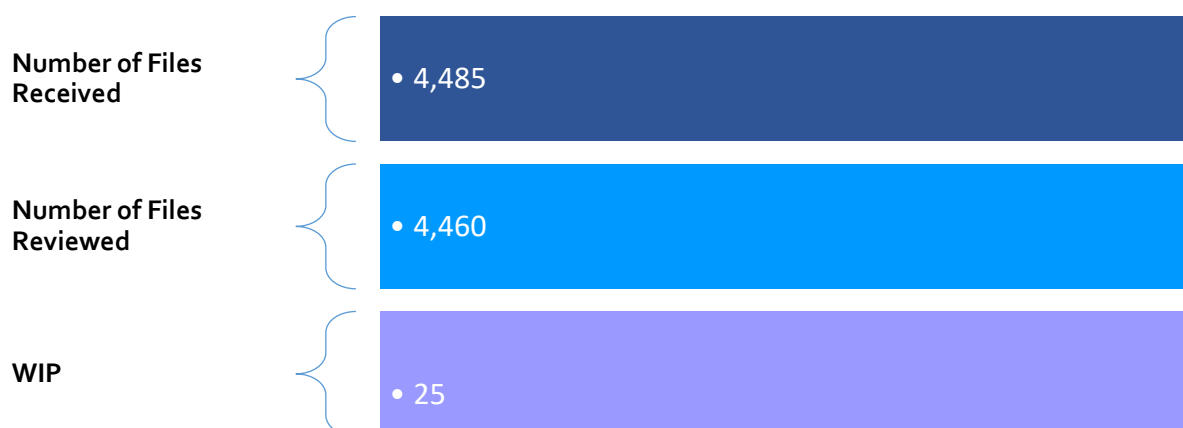
**2.1.2.** With effect from April 2022, the AuGD has streamlined its core auditing function, by establishing two main audit streams, namely the Assurance and Non-Assurance Units. This is anticipated to increase the efficiency and effectiveness of the audits of Financial Statements and Appropriation Accounts as these audits are now executed using the same audit software and utilizing a consistent methodology that will guarantee compliance with International Standards of Supreme Audit Institutions (ISSAIs).

### Performance Highlights

**2.1.3.** During the period under review, I certified 114 Statements comprising 66 Appropriation Accounts and 48 Financial Statements. This represents an approximately 20% increase over the previous period. An additional 18 statements have been completed and returned to the MDAs for correction and or signature. There were also 57 Statements, comprising 33 Appropriation Accounts and 24 Financial Statements, that were at varying stages of work in progress as at the date of this report.

**2.1.4.** In keeping with the AuGD's policy and procedures, an audit completion report highlighting compliance and other issues identified during the audit of the Financial Statements and Appropriation Accounts is issued to MDAs. For the period under review, the Unit issued 64 such completion reports, with some reports relating to multiple financial years and or more than one accounts. The findings from these completion reports are included in Section 3.

### Verification of Pension Files



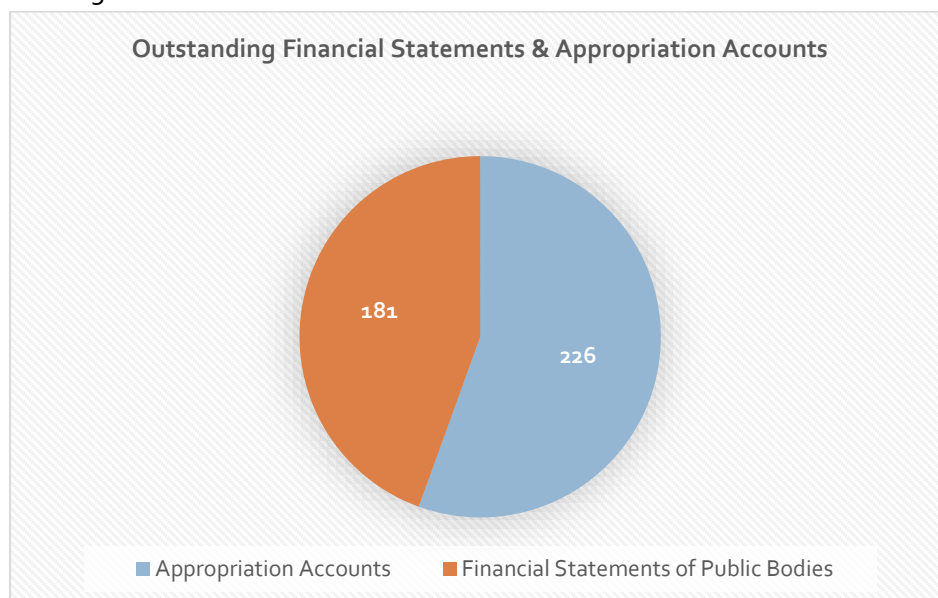
### Outsourced Audits

**2.1.5.** During the period, the AuGD managed the audits of 26 Financial Statements under the audit outsourcing project funded by the World Bank and administered by the Ministry of Finance and the Public Service. The aim of this project was to clear the backlog of Financial Statements of Statutory Bodies, Executive Agencies and Municipal Corporations. Despite the delays associated with the procurement of the audit services, reported in my last report, the project was able to achieve the expected outcomes in completing all 26 Financial Statements that were outsourced to a private audit firm.

### Outstanding Statements

**2.1.6.** The timely completion of our audits continues to be impacted by the late submission of Financial Statements and Appropriation Accounts, delays by clients in providing the relevant supporting documents, and inaccurate or incomplete statements that often require additional audit work resulting in the utilization of more resources than initially planned. Up to the time of this report, a total of 407 Statements were outstanding spanning financial years 2001/2002 to 2021/2022. Of this number, 226 represent Appropriation Accounts and 181 represent the financial statements of Public Bodies.

CHART 5

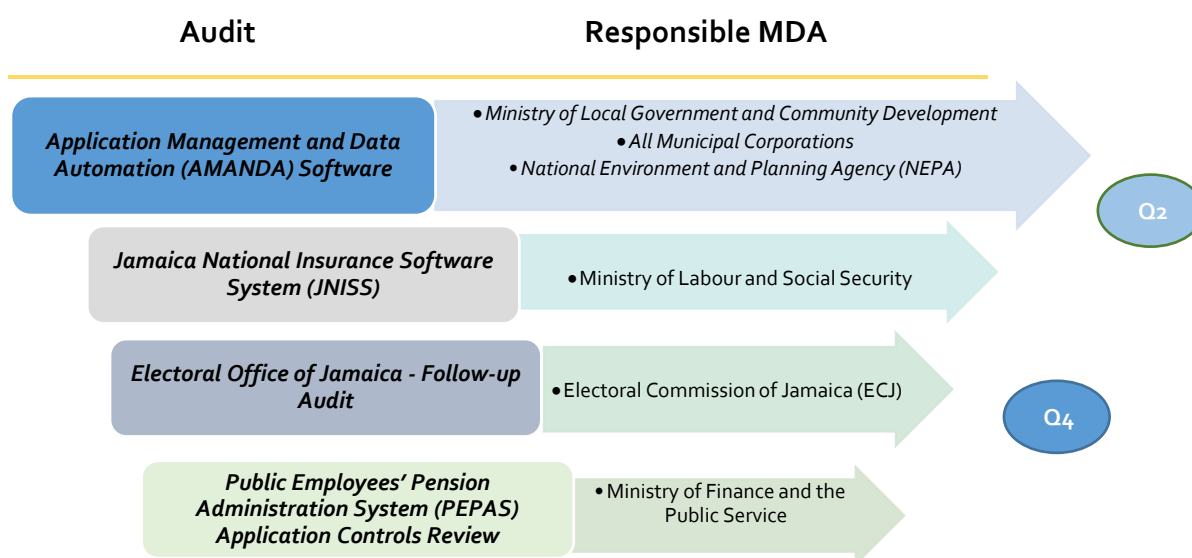


## Information Technology Audit Unit

### The Year in Review

**2.2.1.** The Information Technology Audit Unit (ITAU) over the last year sought to continue its efforts in assessing the adequacy and effectiveness of the general and application controls within Ministries, Departments and Agencies (MDAs). For the 2022/2023 financial year, the ITAU planned to complete three audits and commence audit planning for one engagement. These audits should focus on evaluating the application controls of the respective software as well as the achievement of system development/acquisition objectives. However, based on preliminary risk assessments conducted and the pervasive nature of general controls, information security reviews of all entities were also planned.

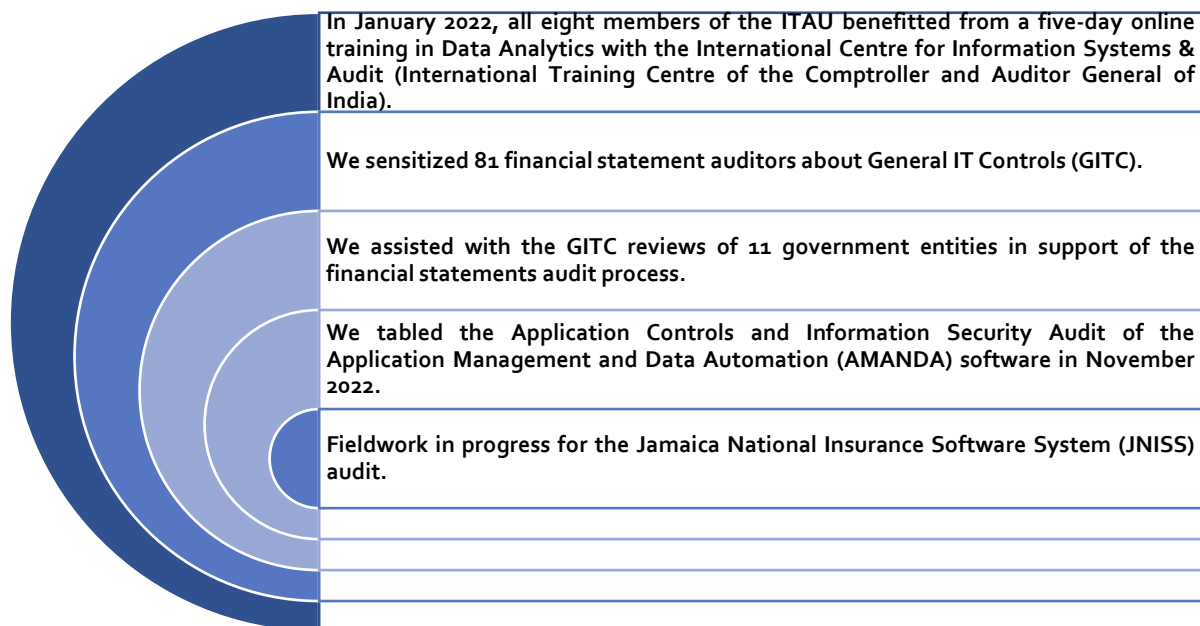
Figure 3



**2.2.2.** Additionally, the ITAU in July 2022 was assigned responsibilities for the review of the General IT Controls (GITC) of MDAs and statutory bodies, which the AuGD performs the audit of the Financial Statements and Appropriation Accounts. Given the limited resources, the completion timeline for the JNISS audit was revised and the audit of the Electoral Commission of Jamaica suspended. Also, arising from this new responsibility, the ITAU conducted sensitization sessions on General IT Controls with 81 financial statement auditors in August and September 2022. As at November 30, 2022, the unit assisted and or performed GITC reviews for 12 audits, while one was work in progress. The ITAU also finalized the audit of the AMANDA Software and was in the process of completing fieldwork for the JNISS audit.

**2.2.3.** Further, despite efforts to increase our capacity to conduct cybersecurity reviews, the Department was unsuccessful in recruiting a Senior Auditor and the assigned Director separated from the organization at the end of October 2022. Nonetheless, the ITAU will seek to develop current team members through formal training, while simultaneously returning to market to fill the existing vacancies.

Figure 4




### Our Challenges


Untimely submission of records and draft report responses by auditees


Inability to attract and or retain qualified IT Auditors to conduct security reviews.

Limited cybersecurity audit and data analysis skills.

### The Year Ahead

- 

We will seek to recruit two senior officers with experience in conducting Information Security audits, while enhancing the current competencies through external training.
- 

We will continue to strengthen our data analytic skills through internal and on-the job training.
- 

We will continue to request information ahead of planned audits to reduce delays in our audit execution.

## Non-Assurance Audits: Economic Assessment, Special and Performance Audits

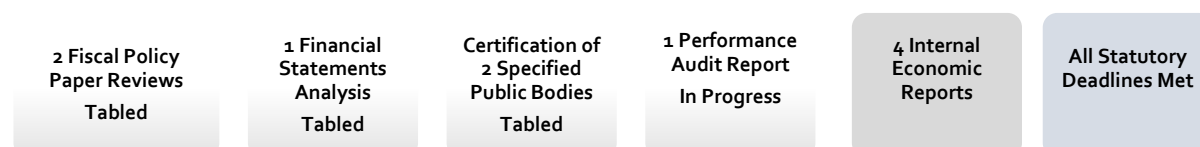
### Economic Assessment Unit (EAU)

#### The Year in Review

**2.3.1.** During calendar 2022, the Economic Assessment Unit (EAU) continued to support the Auditor General's responsibilities under the Financial Administration and Audit (FAA) Act and the Constitution, submitting four reports to Parliament for tabling. The Auditor General's Independent reviews of the Fiscal Policy Paper (FPP) February FY2022-23 and the FPP FY2022-23 Interim report, were submitted to Parliament in March and October 2022, respectively, within the statutory two-week deadline.

**2.3.2.** In August 2022, the Minister of Finance requested the Auditor General to certify whether the Jamaica Mortgage Bank (JMB) and the Bank of Jamaica (BOJ) carry out functions primarily of a commercial nature and can be removed from the list of Specified Public Bodies. The EAU reviewed the operations of JMB and BOJ in accordance with the FAA Fiscal Responsibility Framework Regulations and the Auditor General notified the Minister of her decision within the statutory deadline of September 30, 2022; the Report was submitted to Parliament on October 11, 2022. The Unit also conducted an analysis of the Financial Statements of the National Solid Waste Management Authority (NSWMA) and the Report submitted to Parliament on September 27, 2022. During 2022, the EAU also prepared three internal reports which aided reviews of the FPPs and informed staff of relevant economic developments. At the time of this report, the Performance Audit of Clarendon Alumina Production was at the reporting stage.

#### Our Achievements



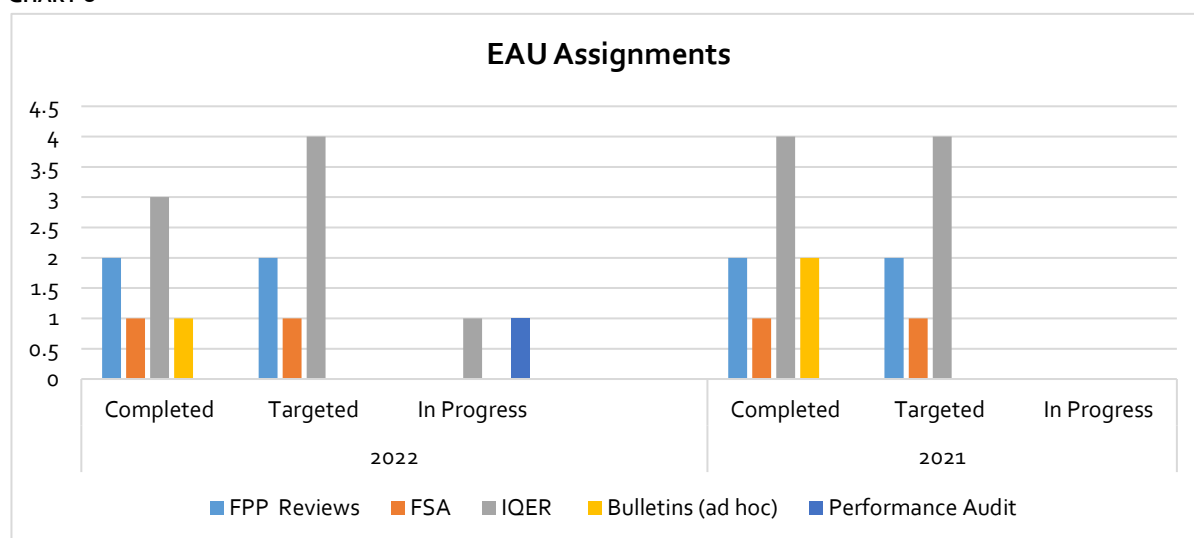
### Economic Assessments

Table 8

Reports Submitted to Parliament	Date Tabled	Deadline	Comments
Review of February Fiscal Policy Paper FY2022-23 <a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/03/AuGD-FPP-Review-FY2022-23.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/03/AuGD-FPP-Review-FY2022-23.pdf</a>	21 February 2022	Met	Tabled within period specified by the FAA Act
Financial Statements Analysis of NSWMA <a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/09/NSWMA_FS-Assessment_Report_September-2022-FINAL.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/09/NSWMA_FS-Assessment_Report_September-2022-FINAL.pdf</a>	26 September 2022	Met	Deadline revised to align with NSWMA Performance Audit
Review of Fiscal Policy Paper FY2022-23 Interim Report	11 October 2022	Met	Tabled within period specified by the FAA Act.

Reports Submitted to Parliament	Date Tabled	Deadline	Comments
<a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/AuGD-FPP-Interim-Review-FY2022-23-October-11-2022.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/AuGD-FPP-Interim-Review-FY2022-23-October-11-2022.pdf</a>			
Certification Public Bodies as not being part of the Specified Public Sector (JMB, BOJ)	11 October 2022	Met	Minister notified by September 30, as per FAA (FRF) Regulations.
<a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/AuGD-Validation-Review-2022_Certification-of-PBS_October-11-2022.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/AuGD-Validation-Review-2022_Certification-of-PBS_October-11-2022.pdf</a>			
Clarendon Alumina Production Performance Audit	TBD		Reporting stage- Draft report with entity.

CHART 6



## Internal Reports

**2.3.3.** The EAU prepared two Quarterly Economic Reports (IQER) on Central Government performance in May and November, respectively, covering the periods January-March 2022 and April to September 2022, respectively. The Unit also produced an Economic Bulletin entitled 'Inflation and the Bank of Jamaica's Policy Rate' to raise awareness among staff. The number of internal reports prepared by the Unit was reduced relative to 2021, as the team, which was short-staffed due to attrition, was engaged in fieldwork for the Performance Audit of Clarendon Alumina Production (CAP).

## Quality

**2.3.4.** The EAU conducted its reviews of the fiscal policy papers in accordance with requirements of the Financial Administration and Audit (FAA) Act; the standards issued by the International Association of Supreme Audit Institutions and the International Standard on Assurance Engagement (ISAE) 3000. As it relates to the financial statements analysis of NSWMA and the Certification of Public Bodies (JMB and BOJ) as not being part of the specified public sector, the methodology and analysis were also reviewed by the Department's Quality Assurance Unit, to confirm adherence to the required quality standards.

### Timeliness

**2.3.5.** The EAU met all statutory deadlines for the submission of the Fiscal Policy Papers as well as the deadline of September 30, for submission of the Auditor General's Certification of the Public Bodies to the Minister of Finance. The deadline for completion of the financial statements analysis of the NSWMA was adjusted to coincide with preparation the Performance Audit report for that entity, while the CAP performance audit report was affected by delays in the receipt of requested documentation.

### Looking Forward

**2.3.6.** For 2023 and beyond, the EAU will continue to undertake fiscal responsibility assessments in accordance with the Financial Administration and Audit (FAA) Act Fiscal Responsibility Framework and the Department's Strategic Business and Operational plans. Additionally, the Unit will seek to advance work around budget credibility in a context where the AUGD is represented on the United Nations Department of Economic and Social Affairs (UNDESA) Working Group for the preparation of the Handbook on SAIs' contribution to strengthening budget credibility through external audits.



## Special Audits

### The Year in Review

**2.4.1.** During calendar year 2022, requests for probes by the Special Audits Unit (SAU) into the use of public resources continued to increase with whistle-blowers and the Public Accounts Committee remaining the main sources of requests. There were also instances where findings from other audits conducted by the Auditor General's Department (AUGD) necessitated further interrogation and assistance by the SAU. Given the large number of stakeholder complaints and the need to support the AuGD's key strategic objectives, the SAU continued select audits using a high value risk-based approach. The criteria for the selection of special audits are drawn primarily from the FAA Act Regulations and Instructions; PBMA Act; Government Staff Orders for the Public Service, Circulars and Guidelines, as well as entity-specific legislation.

**2.4.2.** In keeping with Section 25 of the FAA Act, the SAU conducted three special audits during calendar year 2022, submitting one report to Parliament up to December 2022.

### Our Achievements



CHART 7

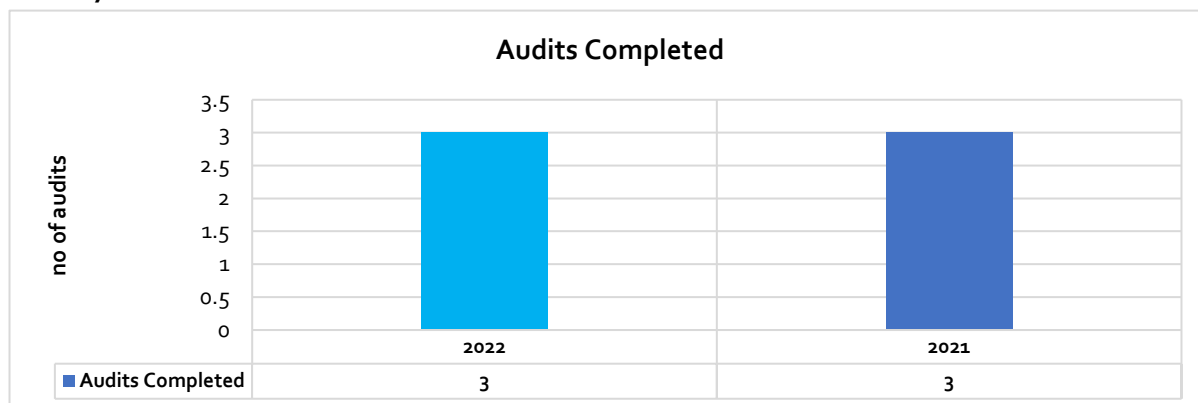


Table 9

AUDITS	STATUS	COMMENTS
Development Bank of Jamaica-Loan Awards <a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/Special-Audit-DBJ-Loan-Awards_October_2022.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/Special-Audit-DBJ-Loan-Awards_October_2022.pdf</a>	Tabled October 2022	Deadline Met
Financial Services Commission	Draft audit report submitted to entity	
Transport Authority of Jamaica	Draft audit report submitted to entity	

**Quality**

**2.4.3.** The Special Audit reports were prepared in accordance with the standards issued by the International Association of Supreme Audit Institutions (INTOSAI) for performance audits, Government regulations and guidelines, AuGD's Special Audits Manual, and international best practices. In addition to the layered internal review process, the reports were also reviewed by the Quality Assurance Unit to confirm adherence to the Department's quality standards.

**Timeliness**

**2.4.4.** The Special Audits Unit completed audit field work and reports within agreed deadlines.

**Looking Forward**

**2.4.5.** We will continue to explore opportunities for collaborative audits to further build capacity and skill in forensic auditing.

## Performance Audits

### The Year in Review

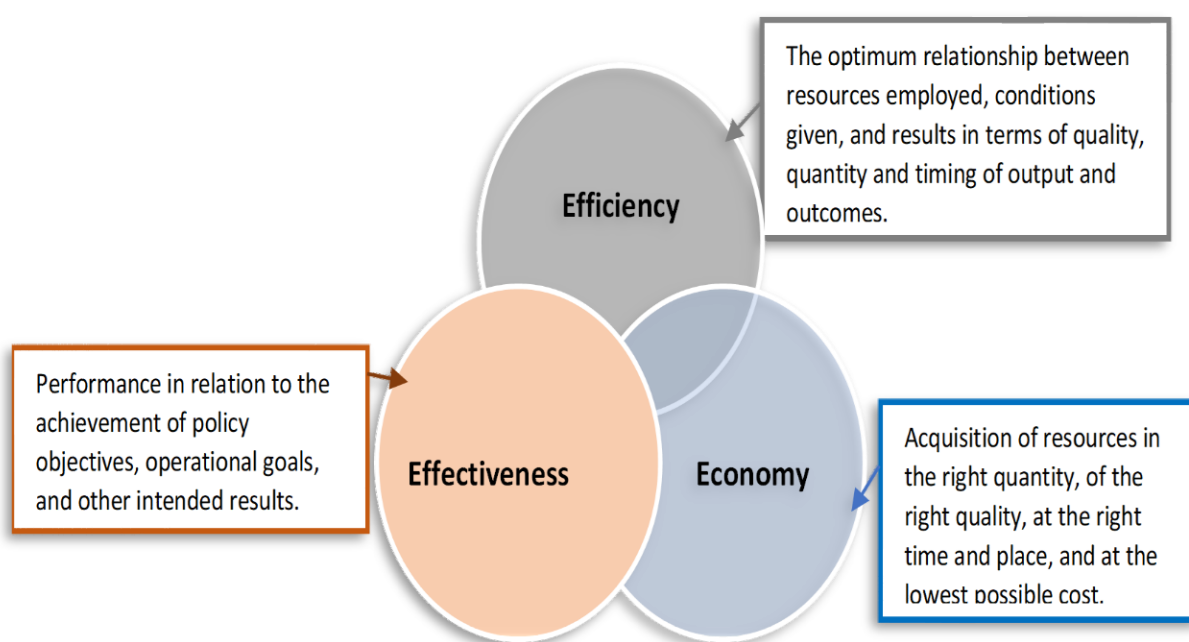
**2.5.1.** During calendar year 2022, the Performance Audit Unit (PAU) continued to support the strategic and operational objectives of Auditor General's Department through its 2022-23 audit plan. Accordingly, the performance audits sought deliver reports aimed at strengthening the accountability process and promote transparency in the public sector and make recommendations that can enable a more efficient and effective public sector, which is beneficial to citizens of Jamaica. The Unit continued to select audits using a risk-based thematic approach and relied on the feedback from audited entities, Parliament, civil society, and other stakeholders to strengthen the impact of audit reports.

### Our Achievements



### Performance Audit Reports

**2.5.2.** The performance audits selected for the 2022-23 workplan covered a range of Ministries, Department & Agencies (MDAs) and themes including Human Resource and Asset management. These audits seek to assess the adequacy of internal controls, and to identify whether the practices accord with Government policy, legal framework, and guidelines, to enable receipt of value for monies spent. We also considered the alignment of the entities' strategic and operational plans with Vision 2030 Jamaica National Development Plan (NDP) and the United Nations' Sustainable Development Goals (SDGs).



## Quantity

**2.5.3.** The Performance Audit Unit completed six audits in 2022, five of which were brought over from the previous year. Five new audits were approved for the 2022-23 workplan, four of which were in progress at end 2022 and are expected to be completed in 2023.

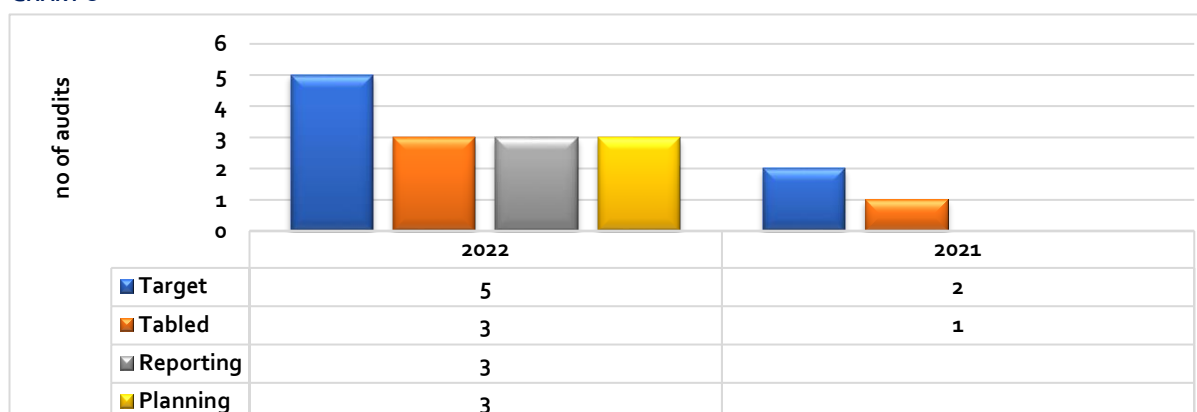
## Audit Coverage

**Table 10**

AUDIT	AUDIT PLAN	STATUS
Tourism Product Development Company (TPDCo)- Governance & Project Management ( <a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/03/TPDCo_PAU_2022.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/03/TPDCo_PAU_2022.pdf</a> )	2019/20	Tabled February 2022
National Solid Waste Management Agency (NSWMA) ( <a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/07/Performance-Audit-Report-NSWMA-July-25-2022-FINAL.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/07/Performance-Audit-Report-NSWMA-July-25-2022-FINAL.pdf</a> )	2021-22	Tabled July 2022
Urban Development Corporation ( <a href="https://auditorgeneral.gov.jm/wp-content/uploads/2022/08/UDC-Performance-Audit-Report-August-2022-Final.pdf">https://auditorgeneral.gov.jm/wp-content/uploads/2022/08/UDC-Performance-Audit-Report-August-2022-Final.pdf</a> )	2018-19	Tabled August 2022
Maintenance & Rehabilitation of the Main Road Network -Procurement & Contracts Management	2020-21	Reporting stage Draft with Entity
Jamaica Fire Brigade – Governance & Resource Management	2022-23	Reporting stage Draft with Entity
Strong & Resilient National Public Health Systems (CAROSAI Collaborative Cross-Cutting Audit)	2020-22	Reporting stage Draft with Entity
Human Resource Management – Jamaica Constabulary Force	2022-23	Planning Stage
Integrated Water Resource Management	2022-23	Planning Stage

## Performance Audits

**CHART 8**



## Quality

**2.5.4.** All performance audits were planned and conducted in accordance with: Government Auditing Standards applicable to performance audits, the Auditor General's Department Performance Audit Manual (2017) as well as, the standards issued by the International Organisation of Supreme Audit Institutions (INTOSAI). In addition to the layered quality review process within the Unit, all audit reports were also reviewed the Department's Quality Assurance Unit.

**Looking Forward**

**2.5.5.** For the 2023-24 workplan, the aim is to conduct more cross-cutting thematic audits consistent with the recommendation from the recent SAI-PMF review. Additionally, where relevant, we will seek to include at least one follow up audit and collaborative audit.

# SECTION 3





SURCHARGE REVIEW COMMITTEE  
REPORT & SUMMARY OF AUDIT  
FINDINGS AGAINST THEMATIC  
FRAMEWORK

### Key Highlights:

- Surcharge Committee Report
- Audit findings against thematic framework
- Audit recommendations

## LINKAGES

SDG-2030	GoJ NDP-2030	National Outcomes	AuGD's Objectives
16.6 Develop effective, accountable, and transparent institutions at all levels.	Goal 2: The Jamaican society is secure, cohesive, and just.	6.1-Strengthen the process of citizen participation in governance.	SO1: Improve public financial management and governance
	National Outcome 6: Effective Governance.	6.5-strengthen public institutions to deliver efficient and effective public goods and services.	SO2: Enhanced stakeholder engagement
		6.7-strengthen the accountability and transparency mechanisms.	SO3: Model public entity

## APPLICABLE STRATEGIC OBJECTIVES

**SO1:** *Independent and high-quality audits to improve Public Financial Management & Governance*

**SO2:** *Promote and engender change in the public service through effective stakeholder engagement*

## Surcharge Review Committee (SRC) Report

**3.1.1.** The Surcharge Review Committee (SRC) of the Auditor General's Department has been appointed by the Auditor General to review activities liable to surcharge and make recommendation to the Auditor General to report surcharge matters in accordance with Section 20 of the FAA Act and Section 2.6.2 of the FAA Act Financial Instructions. The SRC also monitors surcharge notifications from the Financial Secretary of any surcharge made under section 20 of the FAA Act and related proceedings subject to Sections 22 and 23 of the FAA Act and track the recovery of the amounts surcharged from such person in keeping with the FAA Act and Financial Instructions. The SRC reports to the Auditor General periodically and provides a report each year on the outcome of surcharge matters/cases reported to the Financial Secretary.

### What is surcharge?

- Surcharge is a provision of the Financial Administration and Audit (FAA) Act, which allows for the recovery of moneys lost or the value of the loss of property or other assets that have been destroyed or stolen because of negligence on the part of public officers. Surcharge allows for the recovery of the amount from the person(s) found being negligent. *Section 2.6 (2.6.1) FAA Act Financial Instructions.*

### Who has the authority to surcharge?

- The Financial Secretary (FS) in accordance with the Provisions of Section 20 of the FAA Act, have the authority to impose a surcharge on any Accountable Officer in respect of: (a) failure to collect revenue; (b) making "Improper Payments"; (c) deficiency or loss of public moneys; and/or (d) loss or destruction of government assets; (e) or any other loss as detailed in the FAA Act Sections 20 (1) (c) and 49(5). *Section 2.6 (2.6.2) FAA Act Financial Instructions.*

### Responsibility to report activities liable to surcharge





- The Auditor General has the responsibility to report activities liable to surcharge to the Financial Secretary. Where it appears to any Accounting Officer or the Auditor-General that there has been a breach of Section 20 of the FAA Act, he/she shall forthwith make a report to the Financial Secretary. This report shall include information as to: (a) the amount or value of the deficiency or loss; (b) the circumstances leading to such deficiency or loss; and (c) the officer(s) alleged to be responsible therefor. *FAA Act (Financial Instructions) Section 2.6 (2.6.3)*

**3.1.2.** For the period January 2022 to December 2022, SRC received four cases for consideration. Based on the evidence provided, the SRC recommended that three of the cases be referred to the Financial Secretary (FS) in accordance with Section 2, Sub-section 2.6 (2.6.3) of the Financial Administration and Audit (FAA) Act Financial Instructions, for surcharge proceedings to be considered in keeping with the provision under Section 20 of the Financial Administration and Audit (FAA) Act to allow for the recovery of moneys lost or the value of the loss of property or other assets that have been destroyed or stolen as a result of negligence on the part of public officers. The other case, which was brought forward from 2001 is still under review because sufficient information was not presented for the SRC to conclude on the matter.




## Summary of Cases reviewed in 2022


Table 11

CASE No.	ENTITY	VALUE OF DEFICIENCY/LOSS	Outcome	Status
SRC2021-03	Jamaica Civil Aviation Authority	\$636,000.00	Under Review	✕
SRC2022-01	Firearm Licencing Authority	\$1,049,990.63	Reported to FS	⚠
SRC2022-02	National Environment & Planning Agency	\$249,999.97	Reported to FS	⚠
SRC2022-03	Portland Municipal Corporation	\$1,669,970,626.00	Reported to FS	⚠
 Loss Recovered  Keep in View  Withdrawn  Under Review				

## Case No.: SRC2022-01

Entity:	Firearm Licencing Authority
Surcharge Matter	Failure to collect revenue
Audit Report	Financial Statement Audit Report (2018-2019)
Finding	Gratuity paid to seven officers during the period under review, was not subject to income tax in keeping with the Income Tax Act.
Date/Period of Loss	June 2018, November 2018, and December 2018
Value of Loss	JMD\$1,049,990.63
Officer(s) alleged to be responsible for the deficiency/loss:	<ul style="list-style-type: none"> <li>Chief Executive Officer</li> <li>Director, Finance and Administration</li> </ul>
<b>Summary of the circumstances leading to deficiency of loss:</b>  The sum of \$4,199,962.50 paid by the Firearm Licensing Authority (FLA) to seven officers for gratuity payments was not subjected to income tax in keeping with the Income Tax Act and related guidelines. The failure of the FLA failed to deduct income tax from gratuity paid to the seven officers resulted in overpayments totalling \$1,049,990.63. The FLA earns income from licence and related fees and does not receive financial support from the Consolidated Fund.	
Offence	Failure to collect revenue
<b>SCR Committee Decision</b> The surcharge matter was submitted to the Committee on February 22, 2022. The Committee convened and deliberated on the case on March 11, 2022. The documents submitted were reviewed and we noted that officers received full gratuity pay even though the FLA was fully aware of the guidance issued by the Interpretations, Rulings & Opinions Committee (IROC) and received a written directive from the Tax Administration of Jamaica advising how gratuity paid from self-financing entities should be treated. Though the Director of Finance sought and received clarity from the TAJ in August 2018, he failed to administer a tax on the gratuity for the seven. The Committee is of the view that the case is a surchargeable offence. Consequently, the SRC recommendation can be seen as indicated below.	
Recommendation	The matter be reported to the Financial Secretary, in accordance with Section 2.6.3 of the FAA Act Financial Instructions for the recovery of the value of loss in accordance with the <i>provision under Section 20 of the Financial Administration and Audit (FAA) Act to allows for the recovery of moneys lost or the value of the loss of property or other assets that have been destroyed or stolen as a result of negligence on the part of public officers.</i>
Status	Keep in View 

## Case No.: SRC2022-02


Entity:	National Environment & Planning Agency	
Surcharge Matter	Loss of government assets	
Audit Report	Financial Statements	
Audit Finding	Agency unable to account for eight of nine Samsung tablets for distribution to designated schools under the NEPA National Schools Environment- Club Programme	
Date/Period of Loss	2021 May 31	
Value of Loss to date	JM\$ 249,999.97	
Officer(s) alleged to be responsible for the deficiency/loss:	<ul style="list-style-type: none"><li>• Manager, Facilities Manager and Operations</li><li>• Inventory Clerk</li><li>• Public Education and Community Outreach Officer</li></ul>	
<b>Summary of the circumstances leading to deficiency of loss:</b> NEPA purchased nine Samsung tablets and three laptop computers for \$468,749.98. However, the items were not recorded in NEPA’s inventory records upon receipt even though the invoice was stamped “goods received satisfactorily.” The items were recorded in the inventory delivery book as being delivered to the Public Education and Community Outreach Officer (PECOO). However, there was no signature to confirm whether the officer received the items. The items considered missing over four months later during a search of the inventory room by the Inventory Clerk after queries from a supervisor.		
Offence	Failure to collect revenue	
<b>SCR Committee Decision</b>		
The Committee deliberated on the matter on October 19, 2022, October 24, 2022, and October 31, 2022. The Committee reviewed all documents at its disposal and is satisfied that the information was sufficient to conclude on the matter. The Committee based its conclusion on <i>Section 3</i> of the GOJ Asset Management Policy which establishes that “ <i>Once a custodian assumes responsibility for assets, he/she assumes financial responsibility and is held accountable should the asset(s) in his/her care become damaged, lost, or stolen. Therefore, every Accountable Officer or acting official under the written instruction of the Accounting Officer shall be directly responsible for the physical safekeeping of assets of any type controlled or used by the entity in question</i> ”. Based in the evidence presented, the Committee concludes that recommendation be made for the imposition of surcharge proceedings three officers equally (J\$83,333.32 per person) given that the GOJ suffered a loss of assets totalling J\$249,999.97 resulting from their negligence. Consequently, the SRC recommendation can be seen as indicated below.		
Recommendation	The matter be reported to the Financial Secretary, in accordance with Section 2.6.3 of the FAA Act Financial Instructions for the recovery of the value of loss in accordance with the <i>provision under Section 20 of the Financial Administration and Audit (FAA) Act to allows for the recovery of moneys lost or the value of the loss of property or other assets that have been destroyed or stolen as a result of negligence on the part of public officers.</i>	
Status	Keep in View	

## Case No.: SRC2022-03

Entity:	Portland Municipal Corporation
Surcharge Matter	Loss or destruction of government assets
Audit Report	Financial Statements
Audit Finding	The Municipal Corporation was unable to provide the accounting records and source documents to support financial statements.
Date/Period of Loss	Period of loss: FY 2010-2011 and 2011-2012 Date of loss: Unknown
Value of Loss to date	JM\$ 1,669,970,626.00
Officer(s) alleged to be responsible for the deficiency/loss:	Chief Executive Officer Chief Financial Officer
<p><b>Summary of the circumstances leading to deficiency of loss:</b></p> <p>In an entrance meeting between the audit team and the team from the Portland Municipal Corporation held at the offices of the Corporation on April 6, 2022, the audit team was informed that the records for financial years 2010/2011 and 2011/2012 were damaged due to water exposure. However, there was no record of the report to the Auditor General regarding the incident.</p> <p>Subsequently, the Portland Municipal Corporation, via letter dated May 10, 2022, addressed to the Auditor General and signed by the Chief Financial Officer on behalf of the Chief Executive Officer, Jennifer Brown-Cunningham, reported that it was unable to provide the accounting records and source documents to support the Financial Statements for the financial years 2010/2011 and 2011/2012. The Corporation indicated that the records were exposed to moisture and as a result were rendered "indecipherable" and became "unusable". The Portland Municipal Corporation ended their letter by stating that they were unable to locate the same documents to provide for auditing purposes. Further, the Portland Municipal Corporation revealed that the documents were affected by the installation of an AC unit within the area that was used for storage of the documents at that time.</p> <p>It is a requirement for MDAs to report a loss or destruction of any government property to the Auditor General's Department according to Section 27 of the FAA Act, which states: <i>S27(1) Where any voucher or other document in respect of the receipt or payment of public moneys, has been lost or destroyed, or is defective in any respect, the accounting officer concerned shall forthwith report the matter to the Auditor-General for investigation. S27(2) Where, as a result of such investigation the Auditor-General is satisfied that the relevant transaction is otherwise in order, he shall notify the accounting officer accordingly and shall issue in respect of that transaction, an authority under his hand- (a) for the transaction to stand charged in the account in the case of a missing voucher or other document; or (b) for such voucher or other document to be accepted where it is found to be defective. S27(3) Where the Auditor-General is not satisfied that the relevant transaction is in order, such transaction shall be deemed to be unlawful and shall be treated as a loss as referred to in section 20 (1) (c).</i></p> <p>However, there is no record of a report being submitted to the Auditor General about the loss or destruction/damage of the above-mentioned documents as required by Section 27(3). Therefore, the transactions captured in the Financial Statements would be deemed unlawful and treated as a loss. Consequently, the Auditor General in reviewing the Financial Statements of the Portland Municipal Corporation as required by law, was unable to express an opinion on the Financial Statements of the Portland Municipal Corporation for both years. The Auditor General was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these Financial Statements. Due to the absence of appropriate evidence and the failure of the Accounting Officer to report the matter to the Auditor General, the Auditor General is not satisfied that the relevant transactions are in order and such transactions are therefore deemed to be unlawful and treated as a loss as referred to in section 20 (1) (c) of the FAA Act.</p>	
Offence	Loss or destruction of government assets and other loss as detailed in the FAA Act sections 20 (1) (c) and 49(5)
<b>SCR Committee Decision</b>	
The Committee met and deliberated on the matter presented on 2022 October 24 and 31. All documents presented were reviewed and it was satisfied that the information was sufficient to conclude that the Chief	

Executive Officer, being the Accounting Officer and the Chief Financial Officer, being the Accountable Officer were negligent in preserving the GOJ financial records entrusted in their care.








Based on the evidence provided and in accordance with *Section 27(3) of the FAA Act, which states "Where the Auditor-General is not satisfied that the relevant transaction is in order, such transaction shall be deemed to be unlawful and shall be treated as a loss as referred to in section 20 (1) (c)"*, the Committee concluded that the transaction was not in order and shall be deemed to be an improper payment as is referred to in Section 20 (1b) of the FAA Act and shall be treated as a loss as referred to in Section 20 (1c) of the FAA Act. Consequently, the SRC recommendation can be seen as indicated below.

<b>Recommendation</b>	The matter be reported to the Financial Secretary, in accordance with Section 2.6.3 of the FAA Act Financial Instructions for the recovery of the value of loss in accordance with the provision under Section 20 of the Financial Administration and Audit (FAA) Act to allow for the recovery of moneys lost or the value of the loss of property or other assets that have been destroyed or stolen as a result of negligence on the part of public officers.	
<b>Status</b>	Keep in View	

### Follow Up on Previous Cases

3.1.3. The SRC is monitoring the outcome of three cases reported to the Financial Secretary in 2021 as the Auditor General has not been presented with an update on the status of these cases.

Table 12

CASE No.	ENTITY	VALUE OF DEFICIENCY/LOSS	STATUS	
SRC2021-02	Overseas Examinations Commission	\$1,653,165.43	No update provided.	
SRC2021-04	Firearm and Licensing Authority	\$8,369,660.94	The case was withdrawn by the Financial Secretary on the basis that the matter was no longer legally enforceable since the prescribed period of limitation has elapsed. The Financial Secretary recommended that the FLA reviews and makes adjustments (where possible) to all existing contracts with termination clauses that may be contrary to the provision of Circular 15-Fixed Term Contract Officers Policy Guidelines.	
SRC2021-05	Joint Committee for Tertiary Education	\$124,076,382.30	No further update was provided since the Financial Secretary commenced the process for the imposition of surcharge against both officers in 2001.	
 Loss Recovered  Keep in View  Withdrawn  Under Review				

## Summary of Audit Findings Against Thematic Framework

3.2.1. Developed in 2016, the AuGD's thematic framework represents the commonalities of audits based on the various issues identified. These issues have been grouped into the following themes:

- **Governance**-encompasses a set of principles, namely: accountability, fairness, transparency, and independence in ensuring that public sector bodies are properly managed. It is specifically focused on oversight and monitoring, transparency and accountability, and corporate planning and performance management.
- **Information and Communication Technology**-identifies weaknesses in relation to systems acquisition and implementation, information security, business continuity management, e-commerce, and third-party service management.
- **Procurement and Contracts Management**-adherence to government procurement laws, policies, and procedures.
- **Project Management**-examines the presence/absence of relevant key performance indicators (KPIs), irrelevant or inappropriate performance measures, and lack of post evaluation associated with the handling of complex/key business activities.
- **Resource Management**-looks at the efficient and effective deployment and allocation of the country's resources. Resources include money, human skills, information, and communications technology, natural, production and inventory.

Key:

Theme	Colour Code
Governance	
Project Management	
Resource Management	
Procurement and Contract Management	
Information Communication Technology	

## List of Reports against Corresponding Themes

Ministries, Departments, Agencies, and Projects	Governance	Project Management	Resource Management	Procurement and Contract Management	Information Communication Technology
Head 01000: His Excellency the Governor-General & Staff					
Head 06000: Office of the Services Commission					
Head 08000: Independent Commission of Investigations (INDECOM)					
Head 15000: Youth Employment in the Digital and Animation Industries Project					
Head 15020: Office of the Prime Minister – Registrar General's Department					
Head 16409: Management Institute for National Development					
Head 17000: Ministry of Tourism					
Head 19000: Ministry of Economic Growth and Job Creation – Development Bank of Jamaica, Boosting Innovation, Growth & Entrepreneurship Ecosystems Programme					
Head 19000: Ministry of Economic Growth and Job Creation – Development Bank of Jamaica, Credit Enhancement Programme for the Micro, Small and Medium Enterprises (MSMEs) Project					
Head 19000: Ministry of Economic Growth and Job Creation – Development Bank of Jamaica, Jamaica Access to Finance for Micro, Small and Medium Enterprises (MSMEs) Project					
Head 19000: Ministry of Economic Growth and Job Creation – Foundations for Competitiveness and Growth Project (FCGP) 2022					
Head 19000: Ministry of Economic Growth and Job Creation – Jamaica Social Investment Fund – Jamaica Integrated Community Development Project (IDCP), Jamaica Disaster Vulnerability Reduction Project (JDVRP) and Rural Economic Development Initiative (REDI) 2 Project					
Head 19000: Ministry of Economic Growth and Job Creation – Planning Institute of Jamaica, Improving Climate Data and Information Management Project					
Head 19046: Forestry Department					
Head 19047: National Land Agency					
Head 19048: National Environmental Planning Agency					
Head 19050: National Works Agency					
Head 20000: Ministry of Finance and the Public Service					
Head 20000: Ministry of Finance and the Public Service – Integrated Community Development Project					
Head 20000: Ministry of Finance and the Public Service – Foundations for Competitiveness and Growth Project					
Head 20000: Ministry of Finance and the Public Service – Public Procurement Commission (PPC)					
Head 20011: Accountant General's Department					
Head 20012: Jamaica Customs Agency (JCA)					
Head 20018: Ministry of Finance and the Public Service – Public Debt (Amortisation)					

Ministries, Departments, Agencies, and Projects	Governance	Project Management	Resource Management	Procurement and Contract Management	Information Communication Technology
Head 20056: Tax Administration Jamaica					
Head 26000: Ministry of National Security					
Head 26000: Ministry of National Security – Private Security Regulation Authority					
Head 26022: Police Department					
Head 26024: Department of Correctional Services					
Head 26053: Passport, Immigration and Citizenship Agency					
Head 26057: Institute of Forensic Science and Legal Medicine					
Head 28000: Ministry of Justice					
Head 2827: Resident Magistrates' Courts					
Heads 2829 & 28029: Supreme Court					
Heads 2854 & 28054: Court Management Services					
Head 28030: Administrator General's Department					
Head 30000: Ministry of Foreign Affairs and Foreign Trade					
Head 40000: Ministry of Labour and Social Security					
Head 40000: Ministry of Labour and Social Security – National Insurance Scheme					
Head 41000: Ministry of Education & Youth					
Head 41000: Ministry of Education & Youth – Early Childhood Commission					
Head 41000: Ministry of Education & Youth – National Council on Education					
Head 41000: Ministry of Education & Youth – Overseas Examinations Commission					
Head 42000: Ministry of Health and Wellness					
Head 42035: Government Chemist					
Head 46000: Ministry of Culture, Gender, Entertainment & Sport					
Head 46000: Ministry of Culture, Gender, Entertainment & Sport – Jamaica National Heritage Trust					
Head 51000: Ministry of Agriculture and Fisheries – Jamaica 4-H Clubs					
Head 51000: Ministry of Agriculture and Fisheries – Promoting Community-Based Climate Resilience in the Fisheries Sector Project					
Head 51000 and 51000C: Ministry of Agriculture and Fisheries					
Head 53000: Ministry of Industry, Investment and Commerce – Anti-Dumping and Subsidies Commission (ADSC)					
Head 53000: Ministry of Industry, Investment and Commerce – Jamaica Intellectual Property Office					
Head 53038: Companies Office of Jamaica					
Head 56039: Post and Telecommunications Department					
Head 68000: Ministry of Transport and Mining					

Ministries, Departments, Agencies, and Projects	Governance	Project Management	Resource Management	Procurement and Contract Management	Information Communication Technology
Head 72000: Ministry of Local Government and Rural Development					
Head 72000: Ministry of Local Government and Rural Development – Municipal Corporation (Backlog Project)					



**Head 01000: His Excellency the Governor-General & Staff**

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
3.2.2. The audit of the accounting records and financial transactions of the Office of His Excellency the Governor General and Staff for the 2018/2019 financial year revealed a generally satisfactory state of affairs.	

**Head 06000: Office of the Services Commission**

Issue/Concerns	Financial Exposure
<b>Governance</b>	
<p>3.2.3. During the period under review, we completed the audit of the Office of the Services Commission Appropriation Accounts for the period April 2015 to March 2021. The accounting records and financial transactions revealed a generally satisfactory state of affairs over the payment of staff related expenses, procurement of goods and services and management of fixed assets, except for the following:</p> <p><b>Non-adherence to GoJ Guidelines on budget reallocation</b></p> <p>3.2.4. Prior approval of the Accounting Officer was not obtained for the reallocation of \$7.1 million for the period April 1, 2015, to March 31, 2020, to facilitate excess expenditure. We also noted that OSC sought retroactive approval for the reallocation of the funds, between one to five years, after incurring the excess expenditure on the related Objects.</p> <p>3.2.5. Additionally, OSC reallocated funds totalling \$1.42 million from Object 21- Compensation of Employees to other expense category which is contrary to government guidelines. The Ministry of Finance Circular Number 19, dated 2014, prohibits budget reallocations under Object 21 - Compensation of Employees. Furthermore, Section 19 (2) of the Financial Management and Regulations requires the accounting officers to have adequate internal control system in place to ensure proper commitment planning and control and that expenditure is controlled within the warrant instrument.</p> <p>3.2.6. The Office of the Services Commissions advised that corrective measures have been put in place to ensure that this retroactive reallocation of funds does not recur.</p> <p><b>Recommendation</b></p> <p>3.2.7. The AuGD encouraged OSC to take corrective actions to strengthen its internal control mechanism, which should include an effective commitment control system that will ensure expenditure is kept within the approved budget as well as to adhere to the MoFPS' guidelines. In instances where this cannot be done, management should seek prior approval in accordance with the GOJ guidelines.</p>	\$7.1 million

**Head 08000: Independent Commission of Investigations (INDECOM)**

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>3.2.8.</b> During the period under review, we completed the audit of the Independent Commission of Investigations (INDECOM) Appropriation Account and Financial Statements for the Serious Organised Crime and Anti-Corruption Programme (SOCAP) for the fiscal year 2020/2021. The accounting records and financial transactions revealed a satisfactory state- of- affairs. However, management was encouraged to implement proper systems that will ensure the timely submission of the Appropriation Account and updating of the signatories to its bank accounts when an officer is separated from the Commission. Management advised that steps are being taken to address these issues.</p>	

**Head 15000: Office of the Prime Minister - Youth Employment in the Digital and Animation Industries Project**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>3.2.9.</b> The audit of the accounting records and financial transactions of the Youth Employment in the Digital and Animation Industries Project for the closing out period April 1, 2021, to November 30, 2021, revealed the following area of concern:</p> <p><b>Project targets not achieved as planned</b></p> <p><b>3.2.10.</b> The project achieved only two of the six targets planned for the period. Of the remaining four activities, two targets were partially achieved and two were not achieved at the period-end due to delays experienced in the completion of project activities commenced in prior periods.</p>	

**Head 15020: Office of the Prime Minister – Registrar General’s Department**

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>3.2.11.</b> During the period, we audited that Financial Statements for the Registrar General’s Department (RGD) for the financial year ended March 31, 2021. The audit revealed a satisfactory state of affairs.</p> <p><b>3.2.12.</b> We encouraged the RGD to continue the improvement of its internal control over the management of its resources to prevent errors and breaches.</p>	

**Head 16049: Management Institute for National Development**

Issues/Concerns	Financial Exposure								
<b>Resource Management</b>									
<b>Governance</b>									
<p><b>3.2.13.</b> The audit of the accounting records and financial transactions of the Management Institute for National Development (MIND) for the financial year 2021/2022 revealed the following areas of concern:</p> <p><b>Inadequate Management of Accounts Receivable</b></p> <p><b>3.2.14.</b> MIND has an increased exposure to losses due to substantial accounts receivable relating to its core services of approximately \$217.3 million as at March 31, 2022. Of this amount, management made a provision for doubtful debts of \$178.81 million. Additionally, the accounts receivable balance included unsupported credit balances totalling \$15.91 million spanning from the period 2005 to 2022. MIND has since requested the Ministry of Finance's approval to write off its bad debts and to offset all unsupported credit balances. The agency awaits the Ministry's final approval to determine the extent of the write-off.</p>	\$217.3 million								
<p><b>Outstanding Appropriation Accounts</b></p> <p><b>3.2.15.</b> The Agency's Accounting Officer did not submit two Appropriation Accounts representing an accumulated budgetary allocation of approximately \$1.06 billion (Table 13) for the financial years 2020/2021 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts is a breach of the FAA Act.</p> <p><b>Table 13: Budgetary Allocation to MIND</b></p> <table border="1"> <thead> <tr> <th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr> </thead> <tbody> <tr> <td>2021/2022</td><td>532,218,000</td></tr> <tr> <td>2020/2021</td><td>525,676,000</td></tr> <tr> <td><b>Total</b></td><td><b>1,057,894,000</b></td></tr> </tbody> </table>	Financial Year	Approved Budget [Gross] (\$)	2021/2022	532,218,000	2020/2021	525,676,000	<b>Total</b>	<b>1,057,894,000</b>	\$1.06 billion
Financial Year	Approved Budget [Gross] (\$)								
2021/2022	532,218,000								
2020/2021	525,676,000								
<b>Total</b>	<b>1,057,894,000</b>								

**Head 17000: Ministry of Tourism**

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<b>Appropriation Accounts</b>	
<p><b>3.2.16.</b> During the period under review, I completed the audit of the 2019/2020 Appropriation Accounts of the Ministry of Tourism. The Appropriation Accounts were prepared, in all material respects, in accordance with the Financial Administration and Audit Act.</p>	

**Head 19000: Ministry of Economic Growth and Job Creation – Development Bank of Jamaica, Boosting Innovation, Growth & Entrepreneurship Ecosystems Programme**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>3.2.17.</b> The <i>Boosting Innovation, Growth and Entrepreneurship Ecosystems</i> (BIGEE) project provides funding to Micro, Small and Medium Enterprises (MSMEs) to promote innovation, productivity, and sustainable growth. The project is funded by a US\$25 million loan from the Inter-American Development Bank (IDB) and is to be executed over five years from March 2020 to March 2025. The executing agency for this project is the Development Bank of Jamaica.</p> <p><b>3.2.18.</b> The audit of the accounting records and financial transactions of the Project for the year ended March 31, 2022, revealed that the Project achieved six of the twelve planned targets for the period. Management indicated that the remaining six targets were not achieved mainly due to procurement delays and the prioritization of other targets. The DBJ also indicated that it anticipates that the upcoming project results will be more favourable based on the plans that are in place. The project expects to expend approximately J\$850 million or US\$5 million for financial year 2022/2023.</p> <p><b>3.2.19.</b> There was general compliance with the significant terms and conditions of the loan agreement and the transactions and related records of the Special Bank Account were found to be generally satisfactory.</p>	

**Head 19000: Ministry of Economic Growth and Job Creation – Development Bank of Jamaica, Credit Enhancement Programme for the Micro, Small and Medium Enterprises (MSMEs) Project.**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>3.2.20.</b> The Credit Enhancement Programme for Micro, Small and Medium Enterprises (MSMEs) Project is a partnership between the Government of Jamaica and the Inter-American Development Bank (IDB). The objective of the Project is to promote productive investments in MSMEs in Jamaica by enhancing their access to financing, particularly medium and long-term loans, through the Development Bank of Jamaica's Credit Enhancement Facility. The Project is financed by a loan of US\$20 million from the IDB and has a period of execution of five years with effect from September 6, 2017. The executing agency for this Project is the Development Bank of Jamaica.</p> <p><b>3.2.21.</b> The audit of the accounting records and financial transactions of the Project for the year ended March 31, 2022, revealed that the Project achieved all planned targets that were linked to the issuance of Guarantees under the Credit Enhancement Facility (CEF) over the life of the project. However, the expected impact of guaranteed loans on</p>	

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p>MSMEs sales for years one to three was still not measured by the Development Bank of Jamaica (DBJ), as at March 31, 2022.</p> <p><b>3.2.22.</b> The total amount disbursed by the IDB under the Project up to March 31, 2022, was approximately US\$12.9 million, representing 64.5% of the loan fund of US\$20 million.</p> <p><b>3.2.23.</b> Subsequent to the audit, total disbursement for the project increased to approximately US\$17.91 million as at October 31, 2022. IDB also approved a 12-month extension of the project and has extended the terminal date for disbursements to September 6, 2023 to facilitate the completion of all planned targets. The additional disbursements will be subject to further audit review at the end of the 2022/2023 financial year.</p> <p><b>3.2.24.</b> There was general compliance with the significant terms and conditions of the loan agreement. The transactions and related records of the Special Bank account were examined and found to be generally satisfactory.</p>	

**Head 19000: Ministry of Economic Growth and Job Creation – Development Bank of Jamaica, Jamaica Access to Finance for Micro, Small and Medium Enterprises (MSMEs) Project**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>3.2.25.</b> The Jamaica Access to Finance for Micro, Small and Medium Enterprises (MSMEs) Project was realized out of the recognition by the Government of Jamaica for the need to improve economic growth and development. The overarching objective of the Project is to improve access to finance for MSMEs. The Project is financed by a loan of US\$15 million from the World Bank and has a period of execution of sixty months with effect from January 1, 2018.</p> <p><b>3.2.26.</b> The audit of the accounting records and financial transactions of the Project for the year ended March 31, 2022, revealed that there was general compliance with the significant terms and conditions of the loan agreement and the transactions and related records of the Special Bank Account were found to be generally satisfactory. However, the Project only achieved three of the six planned targets for the year.</p>	

**Head 19000: Ministry of Economic Growth and Job Creation – Jamaica Social Investment Fund – Jamaica Integrated Community Development Project (IDCP), Jamaica Disaster Vulnerability Reduction Project (JDVRP) and Rural Economic Development Initiative (REDI) 2 Project**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>3.2.27.</b> The audits of the Jamaica Integrated Community Development Project (ICDP) close out audit for period ended November 1, 2021, the Jamaica Disaster Vulnerability Reduction Project (JDVRP) and the Second Rural Economic Development Initiative (REDI 2) financial statements for the period ended March 31, 2022, disclosed the following matters of concerns.</p> <p><b>Jamaica Integrated Community Development Project (ICDP)</b> <b>Underutilisation of Loan Fund</b></p> <p><b>3.2.28.</b> At the close of the ICD Project in November 2021, JSIF was able to successfully complete 15 of the 18 scheduled indicators, while utilizing US\$41.71 million (99.30 percent) of the US\$42 million Loan Fund. Management attributed the three missed targets; sanitation, zinc fence replacement and critical incident reporting in schools to strategic decisions in respect of community context, the onset of the COVID-19 pandemic and the closure of schools, which prevented completion of the activity. The three missed targets resulted in the underutilization of approximately US\$285,932 of the Loan Fund at the end of the disbursement period, which was not available for social interventions. As such, the GoJ will have to source additional funding to complete the outstanding activities.</p> <p><b>PROJECT ACHIEVEMENTS</b></p> <p><b>Rural Economic Development Initiative Project (REDI 11)</b></p> <p><b>3.2.29.</b> As at March 31, 2022, the project team completed three of the 46 planned procurement activities under the REDI 11 project. JSIF indicated that the onset of the COVID 19 Pandemic affected the successful implementation of project activities, such as stakeholder engagement and project sensitisation in identifying potential beneficiaries and human resources.</p> <p><b>3.2.30.</b> Despite the slow pace in the implementation of the project activities, JSIF indicated that funds were earmarked for an emergency response project, targeting beneficiaries that would have been impacted by the Pandemic, under the COVID 19 Resilience Project. Through this initiative, 1,069 farmers and 20 community tourism enterprises received emergency supplies such as, agricultural inputs, COVID- 19 signage, personal protective equipment, etc. The REDI 11 project also provided training to key public sector officers. JSIF advised that the Board of Directors has since approved the revision of the Project</p>	\$0.286 million

Implementation Cycle, to ensure that the project objectives are achieved.

#### **Jamaica Disaster Vulnerability Reduction Project (JDVRP)**

**3.2.31.** The execution of the JDVRP has been hindered by delayed engagement of consultants for some major activities over the implementation period. As such, at March 31, 2022 seventeen (17) procurement activities, primarily under the risk reduction component, with estimated cost of US\$11.59 million had not commenced as some were either stalled or cancelled depending on the changes made to the focus of the project; JSIF also indicated that US\$9.55 million has been committed to complete 14 project activities. At the end of the reporting period, we noted that thirteen of 16 planned indicators were in the early stage of implementation.

**3.2.32.** Our review also revealed that funds earmarked to complete the 28 procurement activities were redirected to facilitate time overrun on contracts for three fire stations and the Port Royal Coastal Revetment Project. These infrastructure projects had time-overrun spanning 12 to 18 months and variations totalling \$537.07 Million, which included claims for extension of time. JSIF shared that the three fire stations and the Port Royal Street Revetment Project incurred additional cost and time due to critical changes in the scope that were decided post contract signing.

#### **Reallocation of funds earmarked for four pumper trucks (fire trucks) (JDVRP)**

**3.2.33.** In December 2018, JSIF signed a contract valued at US\$2.21 million for the procurement of 4 pumper trucks to be delivered in 52 weeks (November 2019). However, four years after signing the contract the pumper trucks were not delivered by the contractor. JSIF advised that, upon inspection in January 2020, the first truck did not meet the desired specifications. Several opportunities were granted to the contractor to remedy the nine non-compliant specifications. However, the contractor was unable to resolve the issues as such, JSIF terminated the contract in November 2020. The issue is currently a legal matter between the contractor and JSIF. The failed procurement resulted in the reallocation of the US\$2.2 million that was earmarked to equip and strengthen the Jamaica Fire Brigade (JFB) resource management, in combating firefighting and disaster risk management in urban areas.

#### **Weaknesses in the review and monitoring process led to errors and irregularities in the financial records**

**3.2.34.** JSIF's review and monitoring systems over the Projects' accounting function was not working as intended and exposed the entity to irregularities, delayed and inaccurate financial reporting. For example, the Accountable Officer incorrectly classified accounting transactions across JSIF's portfolio of projects, mainly from GOJ

funding, while several unexplained one-sided accounting entries to different accounts were noted in the general. Further, we were unable to verify the authenticity of transactions totalling \$47 million (US\$327,079.71) brought to account under the ICDP by way of journal entries to correct the incorrect classification of transactions. Subsequent to the audit, JSIF advised that they have identified the root cause of these errors, corrected them, and have additional controls put in place to prevent a recurrence.

#### Recommendations

**3.2.35.** JSIF should develop risk-based strategies that will ensure the project objectives are achieved within the disbursement period and in line with the loan agreement. JSIF should also take steps that will ensure the procurement of activities is done efficiently with due regard to the reliability of suppliers/contractors and avoidance of time and cost overruns.

**3.2.36.** Management was also encouraged to strengthen the review and monitoring process of the project's accounting function, to guarantee the timely and fair presentation of the projects' financial statements.

### Head 19046: Ministry of Economic Growth and Job Creation - Forestry Department

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>Outstanding Appropriation Accounts</b></p> <p><b>3.2.37.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.38.</b> Though the Forestry Department has submitted its accrual financial statements up to the 2017/2018 financial year, the Agency's Accounting Officer did not submit eleven Appropriation Accounts representing an accumulated budgetary allocation of approximately \$7.2 billion (Table 14) for the financial years 2013/2014 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts is a breach the FAA Act. Management has since advised that the necessary steps will be taken to address this matter.</p>	\$7.2 billion



Issues/Concerns		Financial Exposure
<b>Table 14: Budgetary Allocation to the Forestry Department</b>		
Financial Year	Approved Budget [Gross] (\$)	
2021/2022 <sup>1</sup>	1,184,168,000	
2020/2021 <sup>2</sup>	1,045,127,000	
2019/2020	1,085,718,000	
2018/2019	919,281,000	
2017/2018	679,621,000	
2016/2017	638,687,000	
2015/2016	621,915,000	
2014/2015	495,981,000	
2013/2014	497,640,000	
Total	7,168,138,000	

#### Head 19047: Ministry of Economic Growth and Job Creation - National Land Agency

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>Resource Management</b>	
<p><b>3.2.39.</b> The audit of the National Land Agency (NLA) financial statements for the period April 1, 2011, to March 31, 2019, disclosed the following matters of concerns raised in the Auditor General's 2021 Annual Report. However, the NLA has not taken sufficient effort to remedy the issues raised.</p> <p><b>Poor management over accounting and financial operational processes</b></p> <p><b>3.2.40.</b> The management of the NLA is responsible for the fair presentation of the Financial Statements, and as such have a duty to implement effective systems of internal controls over the financial and operational processes of the Agency. However, we found a general lack of supervisory review of the NLA's accounting and financial processes, which has resulted in unreconciled account balances for the period under review. This resulted in the draft Financial Statements containing numerous errors. As such, the Financial Statements were returned to the NLA for correction in February 2021, but to date, the corrected statements have not been submitted.</p> <p><b>3.2.41.</b> NLA has since indicated that the Final Accounts Unit is faced with chronic staffing challenges as such, additional staff was engaged to assist in completing the Financial Statements. The Agency advised that the financial statements for 2012/2013 to 2014/2014 are slated to be completed by January 31, 2023.</p>	

<sup>1</sup> Heads 19046 and 21046

<sup>2</sup> Heads 19046 and 21046

Issues/Concerns	Financial Exposure
<p><b>Long outstanding accounts receivables and advances</b></p> <p><b>3.2.42.</b> NLA did not have an effective system in place to reduce the risk of financial loss arising from uncollected revenue. Accordingly, NLA had receivables/uncollected debt of approximately \$26.77 million, that remained outstanding for up to seven years. Additionally, we identified variances of \$3.4 million between the accounting records and financial statements, for the periods under review.</p> <p><b>3.2.43.</b> We saw no evidence that NLA's receivable/debt collection management was guided by a collection policy. Further, in keeping with the accounting standards, we found no evidence that NLA conducted periodic assessments to determine the collectability of these outstanding amounts. As a result of NLA's tardiness, there were uncleared advances for up to seven years with a remaining balance of \$21.03 million at March 2019. Also, NLA did not obtain the requisite supporting documents to clear staff advances totalling \$69.21 million as at March 2019.</p> <p><b>3.2.44.</b> In response to this concern, NLA advised that several of these advances relate to imprests for ongoing projects that will have to remain open until the Projects are completed. However, NLA did not present the requested information to validate this representation.</p> <p><b>3.2.45.</b> In a context where these advances have been outstanding for over seven years, and the requisite documents to substantiate the clearance were not obtained, we were unable to determine whether the amounts advanced were used for the intended purposes. This breakdown in NLA's control environment over the management of public resources exposes the Agency to financial losses and the provision of erroneous financial information to its stakeholders.</p> <p><b>3.2.46.</b> The NLA has since advised that legal action will be pursued against the debtors, and the Agency will be seeking the intervention of the Permanent Secretary to aid in the recovery of the outstanding balances.</p> <p><b>Recommendation</b></p> <p><b>3.2.47.</b> Management was advised to undertake a thorough review of NLA's accounting and financial operational processes with the aim of implementing proper system of control that will ensure accurate and timely preparation of the Financial Statements and accounting records.</p> <p><b>3.2.48.</b> NLA accepts the recommendation and advised that the Agency has undertaken an extensive review of our processes required to improve our system of financial control. Since the inception of the project on the outstanding financials, the Agency has initiated several changes to have a more effective system of internal control going forward.</p>	<p>\$117.01 million</p>

#### Head 19048: Ministry of Economic Growth and Job Creation - National Environment and Planning Agency

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.49.</b> During the period under review, we audited of NEPA's financial statements for the financial years 2018/2019 and 2019/2020. The audit revealed a general satisfactory state of affairs except for the following:</p> <p><b>Uncleared advance balance of \$9.06 million</b></p> <p><b>3.2.50.</b> The audit of NEPA's financial records revealed that as at March 31, 2020, uncleared advance balances totalled \$9.06 million, some of which remain uncleared for more than 24 months. Our review revealed that NEPA's Department Managers failed to submit the requisite invoices to the Accounting Unit to facilitate the proper accounting of expenses in accordance with GOJ guidelines<sup>3</sup>. NEPA has since advised that a comprehensive review was conducted, and steps have been taken to address effective management; the timely clearance of advances; and ensure compliance with GOJ guidelines.</p> <p><b>3.2.51.</b> NEPA was encouraged to implement corrective actions that will ensure Department Managers submit the requisite bills or return unspent monies in a reasonable time so that goods and services can be properly classified and brought to account within the financial period.</p>	\$9.06 million

#### Head 19050: Ministry of Economic Growth and Job Creation - National Works Agency

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<b>Governance</b>	
<p><b>Private Entities Failed to Settle Outstanding Obligations</b></p> <p><b>3.2.52.</b> NWA did not collect outstanding monies totalling \$16.3 million from private entities for periods spanning April 2012 to March 2020. This represents 7.2% per cent increase in the balance of \$15.20 million from prior year. The long outstanding receivable balances become increasingly difficult to collect with the passage of time and will impact negatively on the Agency's cash flow requirements. Consequently, this may result in the NWA relying more on funding from the Consolidated Fund. The Government may not have the necessary resources to facilitate the cash flow requirements.</p>	\$16.3 million
<p><b>Performance Incentives Review</b></p> <p><b>3.2.53.</b> As at March 31, 2021, the Agency's records reflected unpaid performance incentive totalling to \$149.52 Million for the period 2010/11 to 2020/21.</p>	\$149.52 million

<sup>3</sup> Section 7.9.1 Financial Instructions states, "advancee must within a reasonable time provides the relevant bills, invoices, statement of account as well as the unspent cash in order for the advance to be cleared from the books of the Ministry Department and Agency (MDA)."

Issues/Concerns	Financial Exposure
<p><b>3.2.54.</b> We found that the NWA was tardy in completing the Agency's audited Key Performance Indicator (KPI) reports which contributed to the delay in the payment of performance incentive. The KPI reports for the fiscal years 2017/2018 to 2020/2021 were not submitted in a timely manner.</p> <p><b>3.2.55.</b> Additionally, NWA delayed in the finalization of its annual report which is due three months after the financial year. Our review revealed that the Agency's last annual report was for FY 2014/2015, while the following years 2015/16 to 2020/21 have not been finalized for tabling in keeping with Section 13 of the Financial Instructions to Executive Agencies (FIEA) 1999. As such, the non-submission/ tabling of the annual reports may hinder the effective oversight of the Agency's operations by denying stakeholders information to determine whether key policy decisions were implemented. NWA has since advised that draft annual reports for 2015/2016 to 2018/19 have been prepared, submitted to, and reviewed by portfolio Ministry and steps are being taken to finalise the Agency's reports by financial year 2022/2023.</p> <p><b>Recommendations</b></p> <p><b>3.2.56.</b> NWA should take the necessary actions to formalize the recovery of the long outstanding Aged Receivables by aggressively following up with clients and pursuing legal forms of resolution where necessary. NWA should further consider reviewing the payment terms for services rendered to private entities, to allow payments prior to performing the service.</p> <p><b>3.2.57.</b> Management should implement proper systems that will ensure compliance with Circular No.11 by performing the KPI assessments in a timely manner, to allow for prompt payment of performance incentives to employees.</p>	

#### Head 20000: Ministry of Finance and the Public Service

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>Resource Management</b>	
<p><b>3.2.58.</b> The compliance audit of the financial transactions, accounting and other operational records of Ministry of Finance and the Public Services (MoFPS) for financial years ended 31 March 2020 and 31 March 2021 revealed the following:</p> <p><b>Failure to submit appropriation accounts</b></p> <p><b>3.2.59.</b> Up to the time of reporting, the Ministry of Finance and the Public Services (MoFPS) had not submitted the Appropriation Accounts for the FY's 2019 /20 to 2021/22 with approved budget of \$208.3 billion (see <b>Table 15</b>). Section 24(l) of the FAA Act stipulates that accounting</p>	\$208.3 billion

officers should submit to the Minister and the Auditor General, appropriation accounts setting out the expenditure for the year against the approved budgetary allocation within a period of four months after the end of such financial year.

**3.2.60.** The MoFPS' failure to submit the Appropriation Accounts has prevented the timely assessment of the implementation of the approved budgets and reflects a breakdown in managements' financial accountability obligation to Parliament.

#### **Uncleared Advances**

**3.2.61.** Despite giving assurances in previous audits, the MoFPS' is neither clearing advances nor reconciling its bank accounts in a timely manner. The records showed uncleared advances for the financial years 2019/20 and 2020/21 of \$46.9 million and \$18.5 million, respectively. The MoFPS indicated difficulties encountered in obtaining the invoices to clear both advances due primarily to the closure of the hotels impacted by the COVID 19 pandemic.

\$65.4 million

**3.2.62.** The MoFPS also indicated that a standardized procedure would be issued to the recipient of the advance, outlining responsibility and process for obtaining documents to clear the advance. Notwithstanding, in the absence of the invoices to clear the outstanding advances it will not be known whether the amounts advanced were used for the intended purposes and by extension whether the GoJ received value for the amounts paid out.

#### **Tardiness in reconciling official bank accounts**

**3.2.63.** For the period under review, we found that the MoFPS delayed the preparation of monthly bank reconciliation statements for six of its bank account by up to 2.5 years in some instances. The MoFPS' failure to perform monthly reconciliation of its bank accounts and follow-up on discrepancies in a timely manner, increases the risks of financial losses as management will not be able to promptly identify and correct accounting and bank errors/irregularities.

#### **Inadequate maintenance of motor vehicle record**

**3.2.64.** For the two years period, the MoFPS expended \$4.679 million on repairs and servicing to fleet vehicles. However, we noted that MoFPS was not monitoring the operational efficiency of the fleet vehicles, as the Ministry records did not show the requisite analysis of the use of petrol, oil, and consumption of tyres in relation to mileage undertaken, in addition to repairs and maintenance cost. The MoFPS assured the AuGD that immediate steps will be taken to implement the required operational efficiency record.

### Breakdown in MoFPS system of reporting on AIA and Miscellaneous Revenue

**3.2.65.** Contrary the Section 24A. (1(a) of the FAA Act, our audit revealed inaccuracies in the reports submitted for both the Appropriation in Aid and the Miscellaneous Revenue. For instance, for the FY 2019/20 we noted that the Statement of Appropriation in Aid (FS17) showed amount received and spent totalling \$35 million whilst our verification with the project implementing agency, Planning Institute of Jamaica (PIOJ) showed \$18 million as received and spent for the same period. This resulted in a variance of \$17 million. The MoFPS did not submit a reconciliation between the amount reported and that which was reported by PIOJ but have since indicated that the records will be updated with the information provided by the PIOJ.

**3.2.66.** Despite supervisory review, our audit revealed a breakdown in the review process as, MoFPS failed to identify discrepancies, between the Statement of Miscellaneous Revenue (FS 16) and the Statement of Receipts and Payment. The anomalies in both the AIA and Miscellaneous Revenue occurred due the absence of an effective system to capture and report on the activities and could prevented the MoFPS from obtaining, recording, and providing accurate and timely reports.

**3.2.67.** The MoFPS attributed the discrepancies to system error which was later addressed. The MoFPS further advised that investigation on the discrepancies is being carried out and an update will be submitted to the AuGD.

### Recommendations

**3.2.68.** To become compliant with the GoJ's financial reporting and accountability responsibilities, the MoFPS is encouraged to review and strengthen the Standard Operating Procedures over the core accounting functions to eliminate the longstanding financial processing and reporting gaps contributing to the backlog of the finalization of the Appropriation Accounts.

**3.2.69.** The MoFPS should take steps to quickly investigate and clear all advances within the year of the advance to prevent the loss of public funds. In addition, the MoFPS should implement a robust management accountability and quality review system for the reconciliation of the Bank accounts, Miscellaneous Review and Appropriation in Aid (AIA).

**Table15: Head 20000: Outstanding Appropriation Accounts**

Financial Year/App. Accounts	Approved Budget \$'000	Due date	Period outstanding as at November 2022
2019/20 – Recurrent	62,055,725	July 31, 2020	2 yrs. 3 months
2019/2020 – Capital	2,821,843	July 31, 2020	
2020/21 – Recurrent	74,583,090	July 31, 2021	1 yr. 3 months

2020/2021 – Capital	3,428,153	July 31, 2021		
2021/22 – Recurrent	52,958,547	July 31, 2022		
2021/2022 - Capital	12,415,683	July 31, 2022	3 months	
<b>TOTAL</b>	<b>208,263,041</b>			

**Source:** Revised Estimates of Expenditure

**Head 20000: Ministry of Finance and the Public Service – Planning Institute of Jamaica, Improving Climate Data, and Information Management Project**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>3.2.70.</b> The objective of the Improving Climate Data and Information Management Project (ICDIMP) is to improve the quality and use of climate data for effective planning and action at the local and national levels. The project is funded by a grant of US\$6.8 million from the International Bank for Reconstruction and Development and was estimated to last for approximately five years from October 2, 2015. However, the project was extended to August 31, 2022. The Planning Institute of Jamaica (PIOJ) is the executing entity, but it collaborates with other government agencies to implement the various project components.</p> <p><b>3.2.71.</b> The audit of the accounting records and financial transactions of the ICDIMP for the financial year ended March 31, 2022, revealed that the project did not achieve 11 of the 22 planned targets for the period. Eight of the 11 targets not achieved at the year-end were subsequently realized within the project end date of August 31, 2022. Of the three missed targets, one was completed in October 2022 after reportedly being delayed by supply chain issues. The remaining two targets are being undertaken by the Meteorological Service Jamaica.</p> <p><b>3.2.72.</b> Our checks also revealed that the World Bank's Final Evaluation Report indicated that the ICDIMP received a rating of "highly satisfactory" from the Bank.</p>	

**Head 20000: Ministry of Finance and the Public Service – Foundations for Competitiveness and Growth Project (FCGP)2022**

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<p><b>Status of project activities</b></p> <p><b>3.2.73</b> The review of the Foundations for Competitiveness and Growth Project (FCGP) financial and accounting records revealed that as of March 31, 2022, the FCGP achieved 17 of the 22 indicators, and another two indicators were partially achieved. This represents an 86 per cent completion rate. To date, a total of \$43.83 million of the Loan fund has</p>	

Issues/Concerns	Financial Exposure
<p>been spent. Three indicators, primarily under Component 1 (Enhancing competition in the business environment) faced constraints such as, delays caused by sub-standard performance of contract, global supply chain logistical challenges and delays in awaiting pre-conditions to be fulfilled by one of the beneficiary entities in order to execute the required activity.</p> <p><b>3.2.74.</b> As such, the objective to enhance competition in the business environment, especially the reduction in granting permit to stakeholders in the construction industry was not met within the agreed timeline. This resulted in the delay of, support to address critical business regulatory and procedural issues that constrain firm entry, operation and expansion, competition, and trade and logistics. During the period under review, FCGP and the GoJ negotiated an additional US\$10 million to complete the outstanding indicators and undertake 10 new indicators to be completed by March 2024.</p> <p><b>Recommendation</b></p> <p><b>3.2.75.</b> The management of FCGP was encouraged to monitor and implement strategies with an aim of ensuring the successful execution of the remaining project activities and mitigate the risk that may prevent the achievement of the desired objectives and outcomes.</p>	

#### Head 20000: Ministry of Finance and the Public Service – Public Procurement Commission (PPC)

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.76.</b> Over review of Public Procurement Commission (PPC) accounting records and financial transactions revealed a generally acceptable satisfactory state of affairs over the management of cash, expenditure, revenue, and fixed assets for the period April 1, 2021, to March 31, 2022. Notwithstanding, misstatements identified were brought to management's attention and correctly addressed.</p> <p><b>Recommendation</b></p> <p><b>3.2.77.</b> PPC is encouraged to continue to be proactive in administering its accounting procedures to ensure that the appropriate internal controls are in place and working effectively to manage the accounting functions in accordance with government guidelines and accounting standards.</p>	



## Head 20011: Ministry of Finance and the Public Service - Accountant General's Department

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<b>Governance</b>	
<p><b>3.2.78.</b> During the period under review, we audited the Accountant General's Department (AcGD) Appropriation Accounts for the financial year 2015/2016 and 2018/2019. The audit revealed a generally satisfactory state of affairs. At the time of reporting, the AcGD had taken steps or were taking corrective actions to address the weaknesses identified in the areas of payroll, bank reconciliations and contract register. Notwithstanding, improvement is needed in the AcGD commitment control process to ensure that the reallocation of approved budget is in keeping with the GoJ Virement Policy.</p> <p><b>3.2.79.</b> Subsequent to the audit, AcGD advised that the Department has since made a request to the Ministry of Finance and the Public Service for the sums to be regularized and reflected in the Final Supplementary Estimates for FY2015/2016.</p>	
<p><b>Regulatory breach in the submission of the Appropriation Accounts</b></p> <p><b>3.2.80.</b> Up to the time of reporting, the AcGD did not submit the Appropriation Accounts for the financial years 2020/2021 and 2021/2022 for which \$2.3 billion was approved by Parliament. Also, the AcGD delayed the submission of the 2015/2016 Appropriation Account by six years, while the 2018/2019 Appropriation Account was submitted 2 years and 11 months after the statutory deadline. Section 8.17.2 of the Financial Administration and Audit Act Instructions (FAA) states that the deadline for the submission of the annual financial statements is four months following the end of the financial year. As such, the AcGD's failure to submit its Appropriation Accounts has prevented the timely assessment of its use of public funds and a breakdown in managements' financial accountability obligation to key stakeholders.</p> <p><b>3.2.81.</b> Additionally, the AcGD provided no evidence that \$64.3 million, which represent saving for the financial year 2015/16 was surrendered to the Consolidated Fund Bank Account as required under Section 7.74 of the Financial Instructions. AcGD has since advised that the 2020/2012 and 2021/2022 Appropriation is with the Internal Audit Unit.</p> <p><b>Recommendations</b></p> <p><b>3.2.82.</b> We encouraged the AcGD to strengthen its system of internal controls to prevent unauthorized reallocation of fund as well as, to ensure the Appropriation Accounts are prepared and submitted by the statutory deadline.</p>	\$2.3 billion

**Head 20012: Ministry of Finance and the Public Service - Jamaica Customs Agency (JCA)**

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>3.2.83.</b> During the period under review, we completed audit of the Jamaica Customs Agency (JCA) Financial Statements for the period ended March 31, 2018. The accounting records and financial transactions revealed a generally satisfactory state of affairs.	

**Head 20018: Ministry of Finance and the Public Service – Public Debt (Amortization and Interest)**

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>Late submission of the Appropriation Accounts</b>	
<b>3.2.84.</b> The Ministry of Finance and the Public Service (MoFPS) breached Section 8.17.2 of the Financial Administration and Audit Act Instructions by either not submitting or submitting late, appropriation account for Public Debt Servicing Amortisation and Interest to the Auditor General. We noted that as of March 31, 2022, the appropriation accounts for the financial years 2018/19 for Public Debt Amortisation and 2019/2020 to 2020/21 for Public Debt Servicing Amortisation and Interest with approved budget of \$761.9 million were not submitted to the Auditor General. Also, appropriation accounts for the F/Y 2018/2019 with budget totalling \$136.2 million were submitted 2 years and 5 months after the statutory deadline. (See <b>Table 16</b> ). The MoFPS' failure to submit its appropriation accounts has prevented the timely assessment of its use of public funds and a breakdown in managements' financial accountability obligation to key stakeholders.	\$1.03 billion
<b>Absence of commitment control resulted in over-expenditure on eleven activities within the Appropriation Accounts totalling \$3.17 billion.</b>	
<b>3.2.85.</b> The MoFPS did not implement a proper system of commitment control over the payment of interest and amortisation of debts for financial year 2018/2019. Consequently, we identified over-expenditure of \$3.172 billion on eleven (11) activities of which, \$876,767.42 related to foreign exchange movement on three activities, though the excess expenditure did not exceed the overall voted provision for Head 20018. Furthermore, we noted that no virement approval was done for this over-expenditure occurring on the Head.	\$3.172 billion
<b>Recommendations</b>	
<b>3.2.86.</b> MoFPS should review the financial reporting process with a view to improve the timeliness in preparing and submitting the Appropriation Accounts. This process should include evaluating the efficiency of the existing process and developing/modifying monthly and year-end close out procedures, which should be monitored for compliance.	

**3.2.87.** MoFPS should immediately take steps to ensure adequate internal controls are in place to ensure funds are available before payments are committed, and a formal agreement implemented to safeguard the Government's interest.

**Table 16: Head 20018: Appropriation Accounts not yet submitted**

Financial Year	Approved Budget \$'000	Date due to be submitted to the Auditor General	Time outstanding as at November 2022
2018/2019- Amortisation	149,467,504	July 31, 2019	3 yrs. 3 months
2019/2020- Amortisation	178,526,446	July 31, 2020	2yrs and 3 months
2019/2020 – Interest	139,131,084	July 31, 2020	2 yrs. and 3 months
2020/2021 -Amortisation	158,555,588	July 31, 2021	1 yr. and 3 months
2020/2021- Interest	136,253,047	July 31, 2021	1 yr. and 3 months
2021/22 – Amortisation	146,285,500	July 31, 2022	3 months
2021/2022 - Interest	125,986,706	July 31, 2022	3 months
<b>TOTAL</b>	<b>\$1,034,205,875</b>		

Source: AuGD's compilation from the Estimates of Expenditure

#### Head 20056: Ministry of Finance and the Public Service - Tax Administration Jamaica

Issue/Concerns	Financial Exposure
<b>Governance</b>	
<b>3.2.88.</b> During the period, we audit the Appropriation Account of Tax Administration of Jamaica (TAJ) for financial year ended 31 March 2021. The audit revealed a satisfactory state of affairs, the discrepancy identified was brought to TAJ's attention for correction.	

#### Head 26000: Ministry of National Security

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<b>Governance</b>	
<p><b>3.2.89.</b> The audit of the Ministry of National Security revealed the following areas of concern:</p> <p><b>APPROPRIATION ACCOUNTS - 2017/2018 AND 2018/2019</b></p> <p><b>Inadequate maintenance of Departmental Deposits</b></p> <p><b>3.2.90.</b> There was an increased risk of deposit funds not being available for their intended purpose due to a breakdown in the controls over the management of the Deposit account.</p> <p><b>3.2.91.</b> Our review of the Departmental Deposit account revealed that the account was not being updated in a timely and efficient manner as we identified variances totalling \$10.37 million and \$558.76 million between deposits cleared/spent and deposits received for 2017/2018 and 2018/2019, respectively.</p>	\$569.13 million

Issues/Concerns	Financial Exposure																				
<p><b>3.2.92.</b> Additionally, funds totalling \$25.25 million in 2017/2018 and \$1.03 million in 2018/2019 were borrowed from the Deposit account in breach of Ministry of Finance Circular # 17 dated September 24, 2003. However, the amounts have since been reimbursed to the Deposit account.</p> <p><b>Breakdown in the controls over Expenditure and related transactions</b></p> <p><b>3.2.93.</b> There was an increased risk of errors or irregularities in the Ministry’s financial operations due to a breakdown in the controls over expenditure and related transactions.</p> <p><b>3.2.94.</b> Eleven payments totalling \$343.9 million were not supported by original bills and three payment vouchers totalling \$6.8 million did not have the relevant supporting documents attached, as required by the Financial Instructions. The responsible officers may be subject to surcharge action in keeping with Section 27 of the Financial Administration and Audit (FAA) Act if the relevant records cannot be located and presented for audit review.</p> <p><b>3.2.95.</b> These weaknesses undermine the Ministry’s internal control mechanism and may also affect the accuracy and completeness of the Appropriation Accounts.</p>	<p>\$26.28 million</p> <p>\$ 350.7 million</p>																				
<p><b>Outstanding Appropriation Accounts</b></p> <p><b>3.2.96.</b> The Ministry’s Accounting Officer did not submit four Appropriation Accounts representing an accumulated budgetary allocation of approximately \$78.8 billion (<b>Table 17</b>) for the financial years 2020/2021 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts not only breaches the FAA Act, but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p> <p><b>Table 17: Budgetary Allocation to the MNS</b></p> <table><tr><th>Financial Year</th><th colspan="3">Approved Budget [Gross] (\$)</th></tr><tr><th></th><th>Recurrent</th><th>Capital</th><th>Total</th></tr><tr><td>2021/2022</td><td>31,960,465,000</td><td>8,003,269,000</td><td>39,963,734,000</td></tr><tr><td>2020/2021</td><td>29,152,799,000</td><td>9,697,819,000</td><td>38,850,618,000</td></tr><tr><td>Total</td><td>61,113,264,000</td><td>17,701,088,000</td><td>78,814,352,000</td></tr></table>	Financial Year	Approved Budget [Gross] (\$)				Recurrent	Capital	Total	2021/2022	31,960,465,000	8,003,269,000	39,963,734,000	2020/2021	29,152,799,000	9,697,819,000	38,850,618,000	Total	61,113,264,000	17,701,088,000	78,814,352,000	<p>\$78.8 billion</p>
Financial Year	Approved Budget [Gross] (\$)																				
	Recurrent	Capital	Total																		
2021/2022	31,960,465,000	8,003,269,000	39,963,734,000																		
2020/2021	29,152,799,000	9,697,819,000	38,850,618,000																		
Total	61,113,264,000	17,701,088,000	78,814,352,000																		

**Head 26022: Police Department**

**Auditor General's Department**  
**2021/2022 Annual Report**  
**December 2022**

Issues/Concerns	Financial Exposure										
<p>allocation of approximately \$130.95 billion (Table 18) for the financial years 2019/2020 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts not only breaches the FAA Act, but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p> <p><b>Table 18: Budgetary Allocation to the Police Department</b></p> <table> <tr> <th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr> <tr> <td>2021/2022</td><td>47,002,734,000</td></tr> <tr> <td>2020/2021</td><td>42,735,333,000</td></tr> <tr> <td>2019/2020</td><td>41,212,164,000</td></tr> <tr> <td><b>Total</b></td><td><b>130,950,231,000</b></td></tr> </table>	Financial Year	Approved Budget [Gross] (\$)	2021/2022	47,002,734,000	2020/2021	42,735,333,000	2019/2020	41,212,164,000	<b>Total</b>	<b>130,950,231,000</b>	
Financial Year	Approved Budget [Gross] (\$)										
2021/2022	47,002,734,000										
2020/2021	42,735,333,000										
2019/2020	41,212,164,000										
<b>Total</b>	<b>130,950,231,000</b>										

#### Head 26024: Department of Correctional Services

Issues/Concerns	Financial Exposure										
<b>Governance</b>											
<p><b>Outstanding Appropriation Accounts</b></p> <p><b>3.2.102.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.103.</b> The Department's Accounting Officer did not submit three Appropriation Accounts representing an accumulated budgetary allocation of approximately \$25.16 billion (Table 19) for the financial years 2019/2020 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts not only breaches the FAA Act, but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p> <p><b>Table 19: Budgetary Allocation to the DCS</b></p> <table> <tr> <th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr> <tr> <td>2021/2022</td><td>8,673,524,000</td></tr> <tr> <td>2020/2021</td><td>8,587,870,000</td></tr> <tr> <td>2019/2020</td><td>7,899,526,000</td></tr> <tr> <td><b>Total</b></td><td><b>25,160,920,000</b></td></tr> </table>	Financial Year	Approved Budget [Gross] (\$)	2021/2022	8,673,524,000	2020/2021	8,587,870,000	2019/2020	7,899,526,000	<b>Total</b>	<b>25,160,920,000</b>	\$25.16 billion
Financial Year	Approved Budget [Gross] (\$)										
2021/2022	8,673,524,000										
2020/2021	8,587,870,000										
2019/2020	7,899,526,000										
<b>Total</b>	<b>25,160,920,000</b>										

**Head 26053: Passport, Immigration and Citizenship Agency**

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.104.</b> During the period under review, I completed the audit of the 2013/2014 Financial Statements of the Passport, Immigration and Citizenship Agency (PICA). The Financial Statements gave a true and fair view of the financial position of PICA as at the end of the financial year and of its financial performance, and its cash flows in accordance with International Public Sector Accounting Standards.</p>	

**Head 26057: Institute of Forensic Science and Legal Medicine**

Issues/Concerns	Financial Exposure														
<b>Governance</b>															
<b>Outstanding Appropriation Accounts</b>															
<p><b>3.2.105.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.106.</b> The Department's Accounting Officer did not submit five Appropriation Accounts representing an accumulated budgetary allocation of approximately \$3.9 billion (Table 20) for the financial years 2017/2018 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts not only breaches the FAA Act, but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p> <p><b>Table 20: Budgetary Allocation to the IFSLM</b></p> <table border="1"> <thead> <tr> <th>Financial Year</th><th>Approved Budget (\$)</th></tr> </thead> <tbody> <tr> <td>2021/2022</td><td>874,063,000</td></tr> <tr> <td>2020/2021</td><td>760,733,000</td></tr> <tr> <td>2019/2020</td><td>811,315,000</td></tr> <tr> <td>2018/2019</td><td>868,019,000</td></tr> <tr> <td>2017/2018</td><td>550,907,000</td></tr> <tr> <td><b>Total</b></td><td><b>3,865,037,000</b></td></tr> </tbody> </table>	Financial Year	Approved Budget (\$)	2021/2022	874,063,000	2020/2021	760,733,000	2019/2020	811,315,000	2018/2019	868,019,000	2017/2018	550,907,000	<b>Total</b>	<b>3,865,037,000</b>	\$3.9 billion
Financial Year	Approved Budget (\$)														
2021/2022	874,063,000														
2020/2021	760,733,000														
2019/2020	811,315,000														
2018/2019	868,019,000														
2017/2018	550,907,000														
<b>Total</b>	<b>3,865,037,000</b>														

**Head 28000: Ministry of Justice**

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.107.</b> The audit of the Appropriation Accounts of the Ministry of Justice (MOJ) for the financial year 2018/2019 revealed the following areas of concern:</p>	

Issues/Concerns	Financial Exposure
<p><b>Breakdown in the controls over fleet vehicles and other fixed assets</b></p> <p><b>3.2.108.</b> There was a break-down in the controls over the management of the Ministry's fleet vehicles and other fixed assets resulting in an increased risk of irregularities and losses going undetected. The Ministry has since taken steps to strengthen the controls over these areas.</p> <p><b>Overpayment of Emoluments and Tuition Refund</b></p> <p><b>3.2.109.</b> Two officers were overpaid emoluments totalling \$67,061.75 due to the incorrect computation of statutory deductions. Additionally, at the time of audit, the Ministry had only recovered \$25,000 from a former employee who was erroneously paid tuition refund of \$381,860.10 leaving an outstanding balance of \$ 356,860.10.</p>	\$423,921.85

#### Head 2827: Resident Magistrates' Court

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>Appropriation Accounts</b></p> <p><b>3.2.110.</b> During the period under review, I completed the audit of the 2011/2012 Appropriation Accounts of the Resident Magistrates' Courts. The Appropriation Accounts were prepared, in all material respects, in accordance with the Financial Administration and Audit Act.</p>	

#### Heads 2829 & 28029: Supreme Court

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>Appropriation Accounts</b></p> <p><b>3.2.111.</b> During the period under review, I completed the audits of the 2011/2012 and 2018/2019 Appropriation Accounts of the Supreme Court. The Appropriation Accounts were prepared, in all material respects, in accordance with the Financial Administration and Audit Act.</p>	

#### Heads 2854 & 28054: Court Management Services

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>Appropriation Accounts</b></p> <p><b>3.2.112.</b> During the period under review, I completed the audits of the 2014/2015 to 2016/2017 Appropriation Accounts of the Court Management Services (renamed Court Administration Division). The</p>	



Issues/Concerns	Financial Exposure
<p>Appropriation Accounts were prepared, in all material respects, in accordance with the Financial Administration and Audit Act.</p> <p><b>3.2.113.</b> The audit of the 2017/2018 Appropriation Accounts revealed that the Accounting Officer did not approve the virement of funds to cover excess expenditure of approximately \$1.7 million on Object 25 (<i>Use of Goods and Services</i>) as required by the established guidelines. Management has since indicated that steps will be taken to prevent a recurrence.</p>	\$1.7 million

### Head 28030: Administrator General's Department

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.114.</b> During the period under review, I completed the audit of the 2020/2021 Financial Statements of the Administrator General Department. The Financial Statements gave a true and fair view of financial position of the Administrator General's Department as at the end of the financial year and of its financial performance, and its cash flows in accordance with International Public Sector Accounting Standards.</p>	

### Head 30000: Ministry of Foreign Affairs and Foreign Trade

Issues/Concerns	Financial Exposure								
<b>Governance</b>									
<b>Outstanding Appropriation Accounts</b>									
<p><b>3.2.115.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should, in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.116.</b> The Ministry's Accounting Officer did not submit two Appropriation Accounts representing an accumulated budgetary allocation of approximately \$9.25 billion (<b>Table 21</b>) for the financial years 2020/2021 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts not only breaches the FAA Act but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p>	\$9.25 billion								
<p><b>Table 21: Budgetary Allocation to the MFAFT</b></p> <table> <tr> <th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr> <tr> <td>2021/2022</td><td>4,638,457,000</td></tr> <tr> <td>2020/2021</td><td>4,610,004,000</td></tr> <tr> <td><b>Total</b></td><td><b>9,248,461,000</b></td></tr> </table>		Financial Year	Approved Budget [Gross] (\$)	2021/2022	4,638,457,000	2020/2021	4,610,004,000	<b>Total</b>	<b>9,248,461,000</b>
Financial Year	Approved Budget [Gross] (\$)								
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2020/2021	4,610,004,000								
<b>Total</b>	<b>9,248,461,000</b>								

<p><b>3.2.117.</b> Management has since advised that it has been actively seeking to resolve the issues that have resulted in its inability to submit timely Appropriation Accounts. The Ministry indicated that the two main challenges affecting the performance of the Finance and Accounts Division are the highly manual accounting processes at its overseas missions and inadequate human resources.</p> <p><b>3.2.118.</b> Notwithstanding the challenges, the Ministry has committed to submitting the 2020/2021 Appropriation Accounts by the close of the current financial year and to provide a further update on the 2021/2022 Appropriation Accounts as soon as possible.</p>	
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#### Head 40000: Ministry of Labour and Social Security

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>Failure to submit Appropriation Accounts</b></p> <p><b>3.2.119.</b> Section 24(l) of the FAA Act stipulates that accounting officers should submit to the Minister and the Auditor General, appropriation accounts for expenditure for each financial year or within a period of four months after the end of such financial year. The Auditor General is required by law to audit the Appropriation Accounts and give an opinion on whether the money expended has been used for the purpose for which it was approved, and the expenditure does not exceed the amount authorized.</p> <p><b>3.2.120.</b> Whereas the MLSS submitted Appropriation Accounts for the periods 2008/2009 to 2017/2018, we were unable to certify these statements as the audit identified material errors and irregularities characterized by a breakdown in the internal controls at the Ministry. For example, from our audit of the 2012/2013 and 2013/2014 Recurrent Appropriation Accounts during the period, MLSS did not present for audit scrutiny, accounting records for transactions totaling \$491.47 million.</p> <p><b>3.2.121.</b> Further, we identified journal vouchers for transactions totalling \$77.0 million that were not supported. Therefore, we were not able to validate these transactions. Under Section 27 of the FAA Act, these transactions may be deemed unlawful and shall be treated as loss as referred in Section 20 (1)(c). Accordingly, the responsible officers will be reported to the Financial Secretary for surcharge.</p> <p><b>3.2.122.</b> Notably, the last Appropriation Account certified for the MLSS was for the financial Year 2009/2010. MLSS' failure to retain and file the expenditure and journal vouchers for audit purposes constitutes a breach of Section 122 of the Jamaican Constitution. This also undermines good public financial management and will result in a qualified audit opinion on the Appropriation Accounts.</p>	<p>\$491.47 million</p> <p>\$77 million</p>

Issues/Concerns	Financial Exposure																																																						
<p><b>3.2.123.</b> The MLSS has not presented the Appropriation Accounts for four financial years between 2018/2019 to 2021/2022; as well as capital expenditure for 2011/12, 2012/13 and 2017/2018 (Table 1). The MLSS’ failure to submit the Appropriation Accounts has denied the Auditor General, Parliament, the MoFPS and the Jamaican Citizen the opportunity to review management implementation of the MLSS’s \$75.10 billion approved budgets (over the 7-year period) against the country’s policy direction as well as the impact the result may have in guiding approval of subsequent budgets.</p> <p><b>3.2.124.</b> The MLSS accepted the findings citing that there were staffing challenges in ensuring the payment and journal vouchers were maintained and filed appropriately. However, an overhaul was undertaken in the Accounts’ Registry and it is anticipated that this will improve the filing and retrieval process for vouchers.</p> <p><b>Recommendations</b></p> <p><b>3.2.125.</b> We encouraged management to act immediately to strengthen the MLSS’s systems of internal control with the aim of detecting and correcting errors and irregularities in a timely manner to prevent recurrence of these perennial weaknesses. Also, to ensure the Appropriation Accounts are prepared accurately and submitted in accordance with the statutory timeline.</p>	\$75.10 billion																																																						
<p><b>Table 22: MLSS’s Outstanding Appropriation Accounts and Approved Budgets</b></p> <table><tr><th>Financial Year</th><th>Recurrent \$’000</th><th></th><th>Capital B \$’000</th><th>Capital C \$’000</th><th>Approved Budgetary allocation \$’000</th></tr><tr><td>2011/12</td><td></td><td></td><td>3,900,332</td><td></td><td><b>3,900,332</b></td></tr><tr><td>2012/13</td><td></td><td></td><td>3,742,605</td><td></td><td><b>3,742,605</b></td></tr><tr><td>2017/18</td><td></td><td></td><td></td><td>7,112,490</td><td><b>7,112,490</b></td></tr><tr><td>2018/19</td><td>4,219,163</td><td></td><td></td><td>7,901,764</td><td><b>12,120,927</b></td></tr><tr><td>2019/20</td><td>4,097,379</td><td></td><td></td><td>8,146,307</td><td><b>12,243,686</b></td></tr><tr><td>2020/21</td><td>4,035,986</td><td></td><td></td><td>13,093,521</td><td><b>17,129,507</b></td></tr><tr><td>2021/22</td><td>18,657,458</td><td></td><td></td><td>169,930</td><td><b>18,827,388</b></td></tr><tr><td><b>TOTAL</b></td><td><b>31,009,986</b></td><td></td><td><b>7,642,937</b></td><td><b>36,424,012</b></td><td><b>75,076,935</b></td></tr></table>		Financial Year	Recurrent \$’000		Capital B \$’000	Capital C \$’000	Approved Budgetary allocation \$’000	2011/12			3,900,332		<b>3,900,332</b>	2012/13			3,742,605		<b>3,742,605</b>	2017/18				7,112,490	<b>7,112,490</b>	2018/19	4,219,163			7,901,764	<b>12,120,927</b>	2019/20	4,097,379			8,146,307	<b>12,243,686</b>	2020/21	4,035,986			13,093,521	<b>17,129,507</b>	2021/22	18,657,458			169,930	<b>18,827,388</b>	<b>TOTAL</b>	<b>31,009,986</b>		<b>7,642,937</b>	<b>36,424,012</b>	<b>75,076,935</b>
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#### Head 40000: Ministry of Labour and Social Security – National Insurance Scheme

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.126.</b> During the period under review, we audited the Consolidated Financial Statements for the National Insurance Scheme for financial years 2015/2016 to 2019/2020. The audit revealed the following</p>	

Issues/Concerns	Financial Exposure
<p>matters of concern, some of which were included in the 2019/2020 annual report.</p> <p><b>Failure to account for employers' contributions</b></p> <p><b>3.2.127.</b> Despite being the subject of previous audit reports, the NIS has not accounted for outstanding employers' contributions in the Consolidated Financial Statements for the five-year period under review. Information received from the Director of National Insurance, who collected data from the Compliance parish units, disclosed that for FY 2019/2020, the outstanding Employers' Contributions amounted to \$6.045 billion. As such, the amount reported as Revenue and Receivables for the respective periods would have been materially understated.</p> <p><b>3.2.128.</b> Some of the root causes identified for this deficiency include the absence of a robust system to enable timely reporting and collection of Employers contributions. For example, we noted that the Compliance Unit (responsible for managing the outstanding NIS's contributions) does not provide their reports to the Finance Unit to account for the outstanding amounts at the end of each financial year.</p> <p><b>3.2.129.</b> Further, the NIS systems remain manual and decentralized at each Parish Office. However, the Fund has invested in a system that will be able to interact with the Tax Administration Jamaica Portal (RAIS system) to better manage delinquent employers, the compliance module is scheduled to be completed in the 2023/2024 financial year.</p>	<p>\$6.045 billion</p>
<p><b>Contractor's Levy not paid over to Collector of Taxes</b></p> <p><b>3.2.130.</b> Up to the time of audit (September 2022), the Fund did not pay over to the Collector of Taxes, Contractor's Levy totalling \$4.22 million, deducted from payments made to contractors as at March 31, 2020. The Contractors' Levy Act requires entities to deduct and pay over to the Tax Administration of Jamaica (TAJ) a levy of two percent from the gross amount paid to contractors and sub-contractors for construction, haulage and tillage. Therefore, NIF's failure to pay over amounts deducted for Contractor's Levy could result in the imposition of penalties on the NIF for the outstanding amounts in accordance with Section 13 (1) of the Contractor's Levy's Act.</p>	<p>\$4.22 million</p>
<p><b>Inadequate management of Pension Control Account</b></p> <p><b>3.2.131.</b> NIS did not institute an effective pension expenses reconciliation system to validate the payments of NIS pension done through the Postmaster General's Department and other financial institutions contracted to cash pension cheques. For the period April 2015 to March 31, 2020, NIS paid pensioners approximately \$57.28 billion that was not verified against an electronic system to ensure that encashed pension cheques were paid to bona fide pensioners. Included</p>	

Issues/Concerns	Financial Exposure
<p>in the amount was \$38.9 billion reported to be cashed by Post and Telecom Department. However, we found no evidence that the NIS verified the accuracy of the reports.</p> <p><b>3.2.132.</b> Additionally, at the time of reporting, it was not evident that NIS designed internal controls to minimize the risks of fraudulent transactions and financial losses. For example, during the period under review, MLSS reported losses of \$14.36 million, which represent cash stolen in transit to a post office and at four post offices.</p> <p><b>3.2.133.</b> The MLSS subsequently explained that efforts to reconcile the pension vouchers were hampered as, the PMG has no mechanism in place to provide information on the encashed vouchers in an electronic format. However, an automated Bank Reconciliation System (BRS), developed by Egov, was implemented in the Fund Accounts Unit in November 2022. This new System will facilitate the reconciliation of vouchers encashed by the PMG.</p> <p><b>3.2.134.</b> The MLSS further advised that due to the manual nature of the processing of payments by PMG, additional staff are being recruited to undertake the reconciliation process. It is expected that the additional staff will be on Board by March/April 2023 to enable the timely reconciliation.</p> <p><b>Weaknesses in NIS Information Technology Environment</b></p> <p><b>3.2.135.</b> Up to the time of reporting, the NIS did not implement a formal Information Technology Policy, that would inform the organization's information technology controls, strategies and objectives. Consequently, in the absence of an IT policy, the Management Information System (MIS) department took a prolonged time to deactivate the user accounts of nine employees' who separated from the entity during the review period. Additionally, the NIS password parameters were not set in compliance with international best practices, and this increases the risk of external attacks.</p> <p><b>3.2.136.</b> These major weakness in the organization's IT environment also expose the NIS pensioners and grant beneficiaries' data to unauthorized access that could result in fraudulent activities and material misstatements of the pension expenses in the National Insurance Scheme' (NIS) Consolidated Financial Statements.</p> <p><b>3.2.137.</b> Subsequent to our draft report, the MLSS presented an Information Technology Policy that was approved in January 2022 and advised that awareness sessions regarding same will be conducted with all staff members commencing the fourth quarter of the current operational year. The MLSS also indicated that efforts will be made to standardise the password format across the various systems, where applicable, to comply with this IT Policy.</p>	<p>\$138.49 million</p>

Issues/Concerns	Financial Exposure
<p><b>Recommendations</b></p> <p><b>3.2.138.</b> Management should implement systems to manage the Fund to minimize the risk of fraud, errors, or irregularities. Further, management should ensure that the financial statements are prepared in keeping with the applicable financial reporting framework and activities comply with the Government of Jamaica's guidelines.</p> <p><b>3.2.139.</b> Also, Management should seek to improve the capacity of the accounting team by way of training in accrual accounting, which should assist in the reduction of errors in the recording of transactions in the accounting system. Additionally, management should hold supervisors accountable for failure to execute their duties and for some of the deficiencies highlighted.</p>	

#### Head 41000: Ministry of Education and Youth

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>Failure to submit Appropriation Accounts</b></p> <p><b>3.2.140.</b> Up to the time of reporting, the Ministry of Education Youth and Information (MoEYI) has still not submitted the Appropriation Accounts for the seven-year period 2012-13 to 2018-19 and 2021/22. Whereas MoEYI submitted the Appropriation Accounts for 2020/21, the audit could not proceed as the MoEYI explained that the financial accounts were being adjusted based on the previous audit report for FY 2019/20.</p> <p><b>3.2.141.</b> Section 24(l) of the FAA Act stipulates that accounting officers should submit to the Minister and the Auditor General, appropriation accounts setting out the expenditure for the year against the approved budgetary allocation within a period of four months after the end of such financial year. The Auditor General is required by law to audit the Appropriation Accounts and give an opinion on whether the money expended has been used for the purpose for which it was approved, and the expenditure does not exceed the amount authorized.</p> <p><b>3.2.142.</b> Therefore, the MoEYI's failure to submit the Appropriation Accounts has denied the Auditor General, Parliament, the MoFPS and the Jamaican citizen the opportunity to review management implementation of the MoEYI \$758.3 billion approved budgets (over the 7-year period) against the Country's policy direction as well as the impact the result may have in guiding approval of subsequent budgets.</p>	\$758.3 billion

Issues/Concerns	Financial Exposure																																																												
<p><b>Recommendation</b></p> <p><b>3.2.143.</b> We asked the MoEYI to implement a proper system of internal control to prevent, detect and correct errors and irregularities and to ensure the Appropriation Accounts are prepared timely and accurately<sup>1</sup>.</p> <p><b>Table 23: Outstanding appropriation accounts and approved budget</b></p> <table><tr><th>Financial Year</th><th>Recurrent \$'000</th><th>Capital A \$'000</th><th>Capital B \$'000</th><th>Capital C \$'000</th><th>Total \$'000</th></tr><tr><td>2021/22</td><td>114,502,724</td><td></td><td></td><td>1,163,000</td><td>115,665,724</td></tr><tr><td>2020/21</td><td>110,053,814</td><td>-</td><td>-</td><td>633,292</td><td>110,687,106</td></tr><tr><td>2017/18</td><td>97,029,734</td><td>1,027,478</td><td>938,205</td><td>-</td><td>98,995,417</td></tr><tr><td>2016/17</td><td>91,736,047</td><td>1,050,909</td><td>1,547,266</td><td>-</td><td>94,334,222</td></tr><tr><td>2015/16</td><td>85,388,936</td><td>525,560</td><td>1,787,923</td><td>-</td><td>87,702,419</td></tr><tr><td>2014/15</td><td>81,859,742</td><td>537,000</td><td>1,406,814</td><td>-</td><td>83,803,556</td></tr><tr><td>2013/14</td><td>84,011,316</td><td>1,510,518</td><td>216,000</td><td>-</td><td>85,737,834</td></tr><tr><td>2012/13</td><td>79,155,517</td><td>1,711,094</td><td>497,217</td><td>-</td><td>81,363,828</td></tr><tr><td><b>Grand Total</b></td><td><b>743,737,830</b></td><td><b>6,362,559</b></td><td><b>6,393,425</b></td><td><b>1,796,292</b></td><td><b>758,290,106</b></td></tr></table>	Financial Year	Recurrent \$'000	Capital A \$'000	Capital B \$'000	Capital C \$'000	Total \$'000	2021/22	114,502,724			1,163,000	115,665,724	2020/21	110,053,814	-	-	633,292	110,687,106	2017/18	97,029,734	1,027,478	938,205	-	98,995,417	2016/17	91,736,047	1,050,909	1,547,266	-	94,334,222	2015/16	85,388,936	525,560	1,787,923	-	87,702,419	2014/15	81,859,742	537,000	1,406,814	-	83,803,556	2013/14	84,011,316	1,510,518	216,000	-	85,737,834	2012/13	79,155,517	1,711,094	497,217	-	81,363,828	<b>Grand Total</b>	<b>743,737,830</b>	<b>6,362,559</b>	<b>6,393,425</b>	<b>1,796,292</b>	<b>758,290,106</b>	
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#### Head 41000: Ministry of Education and Youth – Early Childhood Commission

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.144.</b> The audit of the accounting records and financial transactions of the Early Childhood Commission (ECC) for the financial year 2020/2021 revealed the following areas of concern:</p> <p><b>Long outstanding overpayment to Early Childhood Practitioners</b></p> <p><b>3.2.145.</b> Though the ECC has strengthen its controls to mitigate against incidents of overpayments to Early Childhood Practitioners (ECPs) and has taken steps to recover these overpayments, the Commission continues to be exposed to losses as unrecovered overpayments relating to ECPs only decreased by approximately \$0.06 million(net), moving from approximately \$36.24 million at the end of financial year 2019/2020 to approximately \$36.18 million at the end of 2020/2021.</p> <p><b>3.2.146.</b> The Commission also indicated that its approved budget for travel expenses is insufficient, resulting in visits to Early Childhood Institutions not being conducted with the required frequency, resulting in delays in removing Early Childhood Practitioners from the payroll.</p> <p><b>3.2.147.</b> ECC is also collaborating with the Ministry of Education to recover overpayments from those Early Childhood Practitioners who</p>	<p><b>\$36.18 million</b></p>

Issues/Concerns	Financial Exposure
<p>are now employed within the Ministry as teachers and/or caregivers in Infant Departments and Infant Schools.</p> <p><b>Long outstanding unidentified deposits</b></p> <p><b>3.2.148.</b> Unidentified deposits decreased by only \$1.76 million during the financial year, moving from \$16.59 million in 2019/2020 to \$14.83 million in 2020/2021. Efforts by the ECC has since resulted in a further reduction in the balance to \$8.32 million. ECC advised that steps are being taken to further reduce this balance in its accounts.</p>	<p><b>\$8.32 million</b></p>

#### Head 41000: Ministry of Education and Youth – National Council on Education

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>Absence of an Internal Audit Function</b></p> <p><b>3.2.149.</b> The audit of the accounting records and financial transactions of the National Council on Education (NCE) revealed that the Council had an increased risk of errors and irregularities going undetected because there was no established system of internal audit to ensure that the organisation's accounting systems, internal controls, risk management and governance processes were periodically reviewed to provide independent assurance that these processes are operating effectively.</p> <p><b>3.2.150.</b> The Council relies on its parent ministry (Ministry of Education and Youth) to undertake internal audits of its operations; however, the ministry has not conducted regular internal audit reviews of the NCE's operations as the last audit was conducted in 2011. The NCE has since indicated that steps will be taken to fill the position in the 2023/2024 financial year.</p>	

#### Head 41000: Ministry of Education and Youth – Overseas Examinations Commission

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>3.2.151.</b> The audit of the accounting records and financial transactions of the Overseas Examinations Commission for the 2020/2021 financial year revealed a generally satisfactory state of affairs. I reminded management of the previously reported non-compliance with the Overseas Examinations Commission Act arising from a change in accounting year end from August 31<sup>st</sup> to March 31<sup>st</sup> without taking the necessary steps to have the Act amended. Management has since advised that steps are being taken to address the matter.</p>	



## Head 42000: Ministry of Health and Wellness

Issues/Concerns	Financial Exposure																																																																		
Governance																																																																			
<p><b>Failure to submit Appropriation Accounts</b></p> <p><b>3.2.152.</b> Section 24(l) of the FAA Act stipulates that accounting officers should submit to the Minister and the Auditor General, appropriation accounts for expenditure for each financial year or within a period of four months after the end of such financial year. However, contrary to this requirement, the MoHW has not presented the Appropriation Accounts for the nine-year period 2013-14 to 2021/22. The MoHW’s failure to submit the Appropriation Accounts has denied, Parliament, the MoFPS and the Jamaican Citizen the opportunity to assess MoHW’s stewardship over the use of the \$560 billion in public resources allocated to the Ministry over the nine-year period.</p> <p><b>3.2.153.</b> Subsequent to the audit, the MoHW advised that the Appropriation Accounts for the nine (9) years have been completed and submitted to Internal Audit Unit for verification. The MoHW also explained that the delay in completing the Accounts was due to the challenges with the Fin-Man System Server.</p> <p><b>Recommendation</b></p> <p><b>3.2.154.</b> MoHW should act immediately to conduct an investigation to determine the cause of the protracted delay to prepare the Appropriation Accounts and, must ensure that it implements a proper system of internal control to prevent, detect and correct errors and irregularities and that the Appropriation Accounts are prepared timely and accurately<sup>1</sup>.</p> <p><b>Table 24: Outstanding appropriation accounts and approved budget</b></p> <table><tr><th>Financial Year</th><th>Recurrent \$’000</th><th>Capital A \$’000</th><th>Capital B \$’000</th><th>Capital C \$’000</th><th>Approved Budgetary allocation \$’000</th></tr><tr><td>2013/14</td><td>36,337,672</td><td>-</td><td>-</td><td>-</td><td>36,337,672</td></tr><tr><td>2014/15</td><td>40,367,831</td><td>-</td><td>-</td><td>-</td><td>40,367,831</td></tr><tr><td>2015/16</td><td>51,379,202</td><td>10,000</td><td>1,158,653</td><td>-</td><td>52,547,855</td></tr><tr><td>2016/17</td><td>55,466,427</td><td>28,262</td><td>1,598,728</td><td>-</td><td>57,093,417</td></tr><tr><td>2017/18</td><td>62,207,087</td><td>106,852</td><td>1,918,344</td><td>-</td><td>64,232,283</td></tr><tr><td>2018/19</td><td>66,689,676</td><td>-</td><td>1,898,908</td><td>-</td><td>68,588,584</td></tr><tr><td>2019/20</td><td>68,345,615</td><td>-</td><td>-</td><td>3,468,533</td><td>71,814,148</td></tr><tr><td>2020/21</td><td>78,897,495</td><td>-</td><td>-</td><td>2,938,452</td><td>81,835,947</td></tr><tr><td>2021/22</td><td>84,600,588</td><td>-</td><td>-</td><td>2,714,648</td><td>87,315,236</td></tr><tr><td>TOTAL</td><td>544,201,593</td><td>145,114</td><td>6,574,633</td><td>9,121,633</td><td>560,042,973</td></tr></table>	Financial Year	Recurrent \$’000	Capital A \$’000	Capital B \$’000	Capital C \$’000	Approved Budgetary allocation \$’000	2013/14	36,337,672	-	-	-	36,337,672	2014/15	40,367,831	-	-	-	40,367,831	2015/16	51,379,202	10,000	1,158,653	-	52,547,855	2016/17	55,466,427	28,262	1,598,728	-	57,093,417	2017/18	62,207,087	106,852	1,918,344	-	64,232,283	2018/19	66,689,676	-	1,898,908	-	68,588,584	2019/20	68,345,615	-	-	3,468,533	71,814,148	2020/21	78,897,495	-	-	2,938,452	81,835,947	2021/22	84,600,588	-	-	2,714,648	87,315,236	TOTAL	544,201,593	145,114	6,574,633	9,121,633	560,042,973	\$560 billion
Financial Year	Recurrent \$’000	Capital A \$’000	Capital B \$’000	Capital C \$’000	Approved Budgetary allocation \$’000																																																														
2013/14	36,337,672	-	-	-	36,337,672																																																														
2014/15	40,367,831	-	-	-	40,367,831																																																														
2015/16	51,379,202	10,000	1,158,653	-	52,547,855																																																														
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2021/22	84,600,588	-	-	2,714,648	87,315,236																																																														
TOTAL	544,201,593	145,114	6,574,633	9,121,633	560,042,973																																																														

## Head 42035: Government Chemist

Issues/Concerns	Financial Exposure																
<b>Governance</b>																	
<b>Outstanding Appropriation Accounts</b>																	
<p><b>3.2.155.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.156.</b> The Department's Accounting Officer did not submit six Appropriation Accounts representing an accumulated budgetary allocation of approximately \$328.35 million (Table 25) for the financial years 2015/2016 and 2017/2018 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts not only breaches the FAA Act, but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p> <p><b>Table 25: Budgetary Allocation to the Government Chemist</b></p> <table> <tr> <th>Financial Year</th><th>Approved Budget (\$)</th></tr> <tr> <td>2021/2022</td><td>63,432,000</td></tr> <tr> <td>2020/2021</td><td>60,584,000</td></tr> <tr> <td>2019/2020</td><td>64,205,000</td></tr> <tr> <td>2018/2019</td><td>55,606,000</td></tr> <tr> <td>2017/2018</td><td>49,599,000</td></tr> <tr> <td>2015/2016</td><td>34,924,000</td></tr> <tr> <td><b>Total</b></td><td><b>328,350,000</b></td></tr> </table>	Financial Year	Approved Budget (\$)	2021/2022	63,432,000	2020/2021	60,584,000	2019/2020	64,205,000	2018/2019	55,606,000	2017/2018	49,599,000	2015/2016	34,924,000	<b>Total</b>	<b>328,350,000</b>	\$328.35 million
Financial Year	Approved Budget (\$)																
2021/2022	63,432,000																
2020/2021	60,584,000																
2019/2020	64,205,000																
2018/2019	55,606,000																
2017/2018	49,599,000																
2015/2016	34,924,000																
<b>Total</b>	<b>328,350,000</b>																

## Head 46000: Ministry of Culture, Gender, Entertainment &amp; Sport

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<p><b>3.2.157.</b> The audit of the Appropriation Accounts of the Ministry of Culture, Gender, Entertainment and Sport (MCGES) for the 2018/2019, 2019/2020 and 2020/2021 financial years revealed a generally satisfactory state of affairs. However, one former employee was overpaid \$74,577 and there were weaknesses in the controls over fixed assets at the Institute of Jamaica (IOJ).</p> <p><b>3.2.158.</b> Management has since advised that steps will be taken to identify whether there are any outstanding payments for the officer, which may be utilised to offset the overpayment. The Ministry has also indicated that the IOJ has since taken steps to address the weaknesses in the controls over fixed assets.</p>	\$74,577

#### Head 46000: Ministry of Culture, Gender, Entertainment & Sport - Jamaica National Heritage Trust

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
<b>3.2.159.</b> During the period under review, I completed the audit of the 2008/2009 Financial Statements of the Jamaica National Heritage Trust (JNHT). The Financial Statements gave a true and fair view of the financial position of the JNHT as at the end of the financial year and of its financial performance, and its cash flows in accordance with International Public Sector Accounting Standards.	

#### Head 51000 and 51000C: Ministry of Agriculture and Fisheries

Issues/Concerns	Financial Exposure																								
Governance																									
<p><b>Failure to submit Appropriation Accounts</b></p> <p><b>3.2.160.</b> Section 24(l) of the FAA Act stipulates that accounting officers should submit to the Minister and the Auditor General, appropriation accounts for expenditure for each financial year or within a period of four months after the end of such financial year. However, contrary to this requirement, the MoAF has not presented the Appropriation Accounts for the fiscal years, 2020/2021 to 2021/22 (see Table 26).</p> <p><b>3.2.161.</b> The MoAF’s failure to submit the Appropriation Accounts has denied, Parliament, the MoFPS and the Jamaican Citizen the opportunity to assess MoAF’s stewardship over the use of the \$15.98 billion in public resources allocated to the Ministry over the three-year period. This also reflects a systematic breakdown in the public financial and accountability management at MoAF; this, in the context where the MoAF’s mandate is aligned to several Outcomes under the National Development Plan, Vision 2030 and more than 10 of the 17 United Nation Sustainable Development Goals.</p> <p><b>Recommendation</b></p> <p><b>3.2.162.</b> We encouraged the MoAF to implement a proper system of internal control to ensure that the Appropriation Accounts are prepared timely in keeping with the legal requirement.</p> <p><b>Table 26: Outstanding appropriation accounts and approved budget</b></p> <table><tr><th>Financial Year</th><th>Recurrent \$’000</th><th>Capital \$’000</th><th>Approved Budgetary allocation \$’000</th><th>Appropriation-In-Aid \$’000</th><th>Approved Budgetary allocation Net of A-I-A \$’000</th></tr><tr><td>2020/21</td><td>5,284,616</td><td>1,137,154</td><td>6,421,770</td><td>853,319</td><td>5,568,451</td></tr><tr><td>2021/22</td><td>10,226,790</td><td>1,503,542</td><td>11,730,332</td><td>1,319,847</td><td>10,410,485</td></tr><tr><td>TOTAL</td><td>27,137,454</td><td>4,920,036</td><td>32,067,490</td><td>3,521,260</td><td>15,978,936</td></tr></table>	Financial Year	Recurrent \$’000	Capital \$’000	Approved Budgetary allocation \$’000	Appropriation-In-Aid \$’000	Approved Budgetary allocation Net of A-I-A \$’000	2020/21	5,284,616	1,137,154	6,421,770	853,319	5,568,451	2021/22	10,226,790	1,503,542	11,730,332	1,319,847	10,410,485	TOTAL	27,137,454	4,920,036	32,067,490	3,521,260	15,978,936	\$15.98 billion
Financial Year	Recurrent \$’000	Capital \$’000	Approved Budgetary allocation \$’000	Appropriation-In-Aid \$’000	Approved Budgetary allocation Net of A-I-A \$’000																				
2020/21	5,284,616	1,137,154	6,421,770	853,319	5,568,451																				
2021/22	10,226,790	1,503,542	11,730,332	1,319,847	10,410,485																				
TOTAL	27,137,454	4,920,036	32,067,490	3,521,260	15,978,936																				

## Head 51000: Ministry of Agriculture and Fisheries – Jamaica 4-H Clubs

Issues/Concerns	Financial Exposure
<b>Resource Management</b>	
3.2.163. The audit of the accounting records and financial transactions of the Jamaica 4-H Clubs for the year ended March 31, 2017, revealed weaknesses in the controls over biological assets and utilities expenses. Management has since taken steps to strengthen the controls over these areas.	

## Head 51000: Ministry of Agriculture and Fisheries – Promoting Community-Based Climate Resilience in the Fisheries Sector Project

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
3.2.164. The objective of the <i>Promoting Community-Based Climate Resilience in the Fisheries Sector Project</i> (PCCR) is to enhance community-based climate resilience among targeted fishing and fish farming communities in Jamaica. The project, which is financed by a US\$4,875,000 grant from the International Bank for Reconstruction and Development, is expected to last for 5 years from March 28, 2018, to March 31, 2023.	
3.2.165. The audit of the accounting records and financial transactions of the PCCR for the financial year ended March 31, 2022, revealed that the project did not achieve seven of its twelve planned targets for the period. Additionally, the Project Implementation Unit has only utilized approximately US\$1,400,470 or 29 per cent % of the total fund allocation of US\$4,875,000 and the World Bank's implementation status and result report dated January 2022 gave the project a "Moderately Unsatisfactory" rating.	
3.2.166. Management was reminded that the project is in its final year of implementation and delays in the completion of project activities may negatively impact the achievement of the project's objectives resulting in the project not being able to achieve its mandate within the planned timeframe. The Ministry has since advised that the necessary measures will be implemented to ensure that the project deliverables are met.	

## Head 53000: Ministry of Industry, Investment and Commerce - Anti-Dumping and Subsidies Commission (ADSC)

Issues/Concerns	Financial Exposure
<b>Governance</b>	
3.2.167. During the period under review, we completed the audit of Anti-Dumping and Subsidies Commission (ADSC) Financial Statements for the periods April 2018 to March 2020. The accounting records and financial transactions revealed a generally satisfactory state of affairs over the management of cash, expenditure, revenue, and fixed assets.	

**3.2.168.** Accordingly, the Financial Statements gave a true and fair view of the ADSC financial position as at the end of the financial year and of its financial performance, and its cash flows in accordance with International Public Sector Accounting Standards.

**Head 53000: Ministry of Industry, Investment and Commerce – Jamaica Intellectual Property Office**

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>3.2.169.</b> The audit of the Jamaica Intellectual Property Office (JIPO) Financial Statements for the financial year 2020/2021, revealed a generally satisfactory state of affairs over the payment and revenue collection processes. However, improvement is needed in areas such as cash management, the management of fixed assets, and oversight of the accounting function, to prevent and detect errors and irregularities in a timely manner. Subsequent to the audit, JIPO has taken steps to address the internal control weaknesses identified from the audit.</p> <p><b>Recommendations</b></p> <p><b>3.2.170.</b> We encouraged JIPO to implement appropriate steps that will strengthen the internal controls and to improve JIPO's financial operations whilst ensuring adherence with the laws and established guidelines.</p>	

**Head 53038: Ministry of Industry, Investment and Commerce – Companies Office of Jamaica**

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<p><b>Outstanding Appropriation Accounts</b></p> <p><b>3.2.171.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.172.</b> The Agency's Accounting Officer did not submit nine Appropriation Accounts representing an accumulated budgetary allocation of approximately \$3.8 billion (Table 27) for the financial years 2013/2014 to 2015/2016 and 2017/2018 to 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Accounts is a breach of the FAA Act. Management indicated that the delay in preparing the Appropriation Accounts was due to significant human resource challenges, including a high attrition rate as well as the inability to recruit suitable accounting staff due to</p>	\$3.8 billion

non-competitive salaries. However, steps will be taken to submit the accounts by the end of financial year 2022/2023.

**Table 27: Budgetary Allocation to COJ**

Financial Year	Approved Budget [Gross] (\$)
2021/2022	745,541,000
2020/2021 <sup>4</sup>	568,262,000
2019/2020	483,604,000
2018/2019	506,270,000
2017/2018	435,949,000
2015/2016	398,798,000
2014/2015	330,140,000
2013/2014	317,170,000
<b>Total</b>	<b>3,785,734,000</b>

### Head56039: Post and Telecommunications Department

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>Outstanding Appropriation Accounts</b>	\$3.1 billion
<p><b>3.2.173.</b> Section 24(1)(b) of the Financial Administration and Audit (FAA) Act requires all Accounting Officers to prepare, sign and transmit to the Auditor General the statements relating to the financial activities under their control within a period of four months after the end of a financial year. The statements should in respect of each head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.</p> <p><b>3.2.174.</b> The Department's Accounting Officer did not submit one Appropriation Account representing budgetary allocation of approximately \$3.1 billion for the financial year 2021/2022 within the statutory deadlines as required by the FAA Act. The non-submission of the Appropriation Account not only breaches the FAA Act, but it also prevents Parliament from effectively monitoring expenditure from the Consolidated Fund.</p>	

### Head 68000: Ministry of Transport and Mining

Issues/Concerns	Financial Exposure
<b>Project Management</b>	
<b>Governance</b>	
<p><b>3.2.175.</b> During the period, we audited the Ministry of Transport and Mining (MTM) Appropriation Accounts for the 2020/21 financial year. The audit revealed the following:</p>	

<sup>4</sup> Heads 50038 and 53038

Issues/Concerns	Financial Exposure
<p><b>ITA- VMS system not Operationalized despite Expenditure of \$15.65 million</b></p> <p><b>3.2.176.</b> One year (March 21, 2022) after the expiration of the contract for the design and implementation of the Island Traffic Authority-Vehicle Management System (ITA-VMS), at a cost of \$15,656,853.02, some components of the system is yet to be operationalized. The MTM indicated that the delays were no fault of the contractor and cited incompatibility issues with Tax Administration Jamaica and eGov Jamaica Limited databases, unavailability of funds to procure necessary equipment critical to the rolling out of the system, and challenges with the willingness and participation of key personnel at ITA as some of the major reasons for the delay.</p> <p><b>3.2.177.</b> MTM also indicated that some of the hurdles were addressed with the changes to the leadership and management. Notwithstanding, in December 2022 MTM advised that aspects of the systems such as Motor Vehicle Inspection, and Driver Competence Modules have since been completed.</p> <p><b>Governance Deficiencies</b></p> <p><b>3.2.178.</b> Effective governance at the MTM, to include oversight of its portfolio entities, needed improvement. We noted that the Internal Audit Register to record findings, recommendations and actions taken, was not maintained.</p> <p><b>3.2.179.</b> Though MTM indicated that steps have been taken to address outstanding reports for the 2021/2022 financial year, and there is ongoing monitoring and oversight of its portfolio entities, this initiative is not yielding the desired results in ensuring compliance to the GoJ reporting requirements. For example, we found that for the financial period 2018/2019, only seven of the 15 entities under the MTM's control, submitted annual reports to the Ministry; six for 2019/2020 and no reports were submitted for 2020/2021.</p> <p><b>3.2.180.</b> Further, of the reports submitted, MTM only sent six reports for parliamentary review, four in 2018/2019, two in 2019/2020 and none for 2020/2021. Additionally, the MTM was not able to advise on the number of board meetings each public body should hold and by extension the number of minutes to be received. We noted that the entities were tardy in submitting Board Minutes. Four entities did not submit any minutes for the three-year period.</p> <p><b>3.2.181.</b> Furthermore, the Ministry's directive to submit minutes of Board meetings two weeks after confirmation, was disregarded as minutes were submitted up to 12 months after the meetings. This may have denied the parent Ministry the opportunity to effectively carry out</p>	<p>\$15.65 million</p>

Issues/Concerns	Financial Exposure
<p>its oversight responsibilities regarding funds and projects approved by Parliament for these entities.</p> <p><b>3.2.182.</b> The MTM indicated that the Ministry is not adequately resourced to properly manage the compliance related functions such as, follow-up of audits and management of an internal audit register. As such, correspondence was sent to the MoF&amp;PS for a review of the structure to increase the resources to address the governance concerns raised. Additionally, MTM cited challenges including management and staff changes, as well as inadequate record keeping, as contributing factors to the tardiness in the submission of statutory reports by portfolio entities.</p> <p><b>3.2.183.</b> The MTM also advised that that while there is room for improvement, overall, in oversight, going forward, the Ministry will explicitly remind the entities with outstanding reports of the sanctions that are applicable under the PBMA.</p> <p><b>3.2.184.</b> Further, the Ministry intends to write to all Corporate Secretaries and advise them to submit annual schedule of meetings to ensure that Board Minutes are submitted timely.</p> <p><b>Recommendations</b></p> <p><b>3.2.185.</b> The management of MTM should ensure that all conditions and systems for the modernization of the ITA Department are in place to facilitate implementation and execution of the ITA_VMS System.</p> <p><b>3.2.186.</b> In keeping with the Accountability Framework, the Permanent Secretary should ensure that an appropriate arrangement is established to effectively monitor the respective public bodies. This arrangement should include a system that ensures board minutes and other specified reports are faithfully submitted by the portfolio entities.</p> <p><b>3.2.187.</b> The Accounting Officer should ensure that such board minutes are reviewed, and the Minister is formally apprised of significant issues therein that may affect the performance of the entity; to allow the portfolio minister to take appropriate actions regarding the performance of the Boards. Where the Permanent Secretary has designated a representative to the Board, the designate must make a formal written report to the Permanent Secretary after each meeting.</p>	

#### Head 72000: Ministry of Local Government and Rural Development

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>Resource Management</b>	
<p><b>3.2.188.</b> The audit of the the Ministry of Local Government and Rural Development (MLGRD) (Formerly Community Development Recurrent</p>	



Issues/Concerns	Financial Exposure
<p>and Capital Appropriation Accounts for 2019/2020 and 2020/2021 revealed a generally satisfactory state of affairs. The MLGRD met the statutory deadline in the submission of its 2021/2022 Appropriation Account.</p> <p><b>Unauthorised transfer of Equalisation Fund</b></p> <p><b>3.2.189.</b> MLGRD advanced \$97.8M from the Equalization Fund during the period 2016 to 2018 to provide budgetary support to the Ministry. Up to January 2022, amounts totalling \$23.4M remained outstanding. Additionally, MLGRD made transfers/payments totalling \$12,507,317.20 from the Equalization Fund to facilitate the purchase of a 2021 Toyota Land Cruiser Prado on November 19, 2020. The funds utilized for the purchase was transferred from the Equalization Fund and placed in the MLGRD deposit account.</p> <p><b>3.2.90.</b> The GoJ guidelines prohibits the borrowing and use of deposits as temporary budgetary support, which we noted was a feature of the MLGRD over the period 2018/19 to 2020/2021. Also, Section 14(2) of the Local Government (Financing and Financial Management) Act, 2016 sets out the purpose for which the Equalisation Fund is to be used.</p> <p><b>3.2.191.</b> Though we verified that the \$12.51M was subsequently reimbursed on February 8, 2021, the MLGRD's practice is in breach of the aforementioned Act as, the Equalization Fund was not being used for the intended purpose. Further, this reflects weaknesses in the MLGRD cash management process.</p> <p><b>3.2.192.</b> The Ministry accepted the findings and has since advised that steps are being taken to correct the weakness identified.</p>	

#### Head 72000: Ministry of Local Government and Rural Development – Municipal Corporations (Backlog Audit Project)

Issues/Concerns	Financial Exposure
<b>Governance</b>	
<b>Resource Management</b>	
<p><b>3.2.193.</b> The Ministry of Finance gave approval for the AuGD to establish a temporary project unit to focus on the long outstanding financial statements of the Municipal Corporations. The unit was substantially operationalized during the financial year 2022/2023. To date I have completed the audits of seven financial statements (<b>Table 28</b>) and another nine financial statements are work-in-progress (<b>Table 29</b>). Two of the seven completed statements have not yet been returned by management for my certification.</p> <p><b>3.2.194.</b> The timely execution of these audits have been severely impacted by the slow responsiveness of the Municipal Corporations to</p>	

requests for information, documents and other records to support the financial statements. This has resulted in us having to solicit the assistance of the Permanent Secretary to urge the Municipal Corporations to provide the necessary responses in a more timely manner.

**Table 28: Financial Statements Completed**

Municipal Corporations	Years	Total completed
Portland Municipal Corporation	2010/2011 to 2011/2012	2
Manchester Municipal Corporation	2011/2012 to 2015/2016	5
<b>Total Financial Statements Completed</b>		<b>7</b>

**Table 29: WIP Financial Statements**

Municipal Corporations	Years	Total WIP
Manchester Municipal Corporation	2016/2017	1
St. James Municipal Corporation	2006/2007 to 2008/2009	3
Portland Municipal Corporation	2012/2013 - 2015/2016	4
St. Thomas Municipal Corporation	2010/2011	1
<b>Total WIP Financial Statements</b>		<b>9</b>

#### **Limitation of scope due to the absence of adequate supporting documentation/records**

**3.2.195.** To date I have issued five modified audit opinions. These include two "*Disclaimer of Opinions*" and three *Qualified "Except for" Opinions* due to the absence of sufficient appropriate evidence to support the balances in the financial statements reviewed.

#### **Disclaimer of Opinion – Portland Municipal Corporation (PMC)**

**3.2.196.** A "*Disclaimer of Opinion*" is issued when the auditor is unable to obtain sufficient appropriate audit evidence on which to base the audit opinion, and the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be both material and pervasive.

**3.2.197.** The Portland Municipal Corporation, via letter dated May 10, 2022, reported that it was unable to provide the accounting records and source documents to support the Financial Statements for the financial years 2010/2011 and 2011/2012. The Corporation indicated that the records were exposed to moisture and as a result were rendered "indecipherable" and became "unusable".

**3.2.198.** As a result, I was unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded amounts, and the elements making up the Statement of Financial Position, the Statement of Financial Performance, the Statement of

Changes in Equity, and the Statement of Cash Flows. Total unsupported revenue and expenditure reported for both years was \$839,039,585 and \$830,931,041, respectively (**Table 30**):

**Table 30: PMC-Unsupported Revenue and Expenditure**

Financial Statements Components	2010/11	2011/12	Total
Revenue	365,712,738	473,326,847	839,039,585
Expenditure	357,833,860	473,097,181	830,931,041

### Qualified 'Except for' Opinion – Manchester Municipal Corporation

**3.2.199.** A *Qualified 'Except for' Opinion* is issued when the auditor is unable to obtain sufficient appropriate audit evidence on which to base the audit opinion, but the auditor concludes that the possible effects on the financial statements of undetected misstatements, if any, could be material but not pervasive.

**3.2.200.** I was unable to obtain sufficient appropriate audit evidence to verify the balances listed in **Table 31**. The management of the Manchester Municipal Corporation reported that the relevant supporting documents could not be located and certain records were not adequately maintained. Consequently, I was unable to determine whether these amounts represent bona fide transactions or whether any adjustments were necessary.

**Table 31: Unsupported Balances – Manchester Municipal Corporation**

Financial Statements Components	2011/12	2012/13	2013/14
PPE	5,968,194	10,481,230	14,711,285
Investments	118,775	118,775	118,775
Receivables	91,462,853	99,433,296	122,428,930
Liabilities	135,706,336	109,183,761	92,324,685
Staff Costs	170,441,042	187,088,616	200,030,708
Other Expenditure	6,258,359	27,794,759	N/A
Other Income	N/A	N/A	25,734,937
Reserves	108,337,265	142,426,989	106,025,401

### Surcharge – Defective Vouchers

#### **3.2.201. Section 27 of the FAA Act states:**

*"S27(1) Where any voucher or other document in respect of the receipt or payment of public moneys, has been lost or destroyed, or is defective in any respect, the accounting officer concerned shall forthwith report the matter to the Auditor-General for investigation."*

*S27(2) Where, as a result of such investigation the Auditor-General is satisfied that the relevant transaction is otherwise in order, he shall notify the accounting officer accordingly and shall issue in respect of that transaction, an authority under his hand-*

*(3) for the transaction to stand charged in the account in the case of a missing voucher or other document; or*

*(b) for such voucher or other document to be accepted where it is found to be defective.*

*S27(3) Where the Auditor-General is not satisfied that the relevant transaction is in order, such transaction shall be deemed to be unlawful and shall be treated as a loss as referred to in section 20 (1) (c)."*

**3.2.202.** I have since initiated surcharge proceedings against the responsible officers at the Portland Municipal Corporation having been advised of the losses in May 2022. The absence of sufficient appropriate evidence to support the transactions and balances in the financial statements increased the risk of errors, fraud and irregularities going undetected in the accounts.

**3.2.203.** Going forward, I intend to pursue surcharge action in cases where a loss is deemed to have occurred as outlined in Section 27 of the FAA Act.

#### **Outstanding Financial Statements – Municipal Corporations**

**3.2.204.** Section 27 (1) of the Local Government (Financing and Financial Management) Act states: "*The accounts of a Local Authority shall be subject to audit by the Auditor General in all respects as if the Local Authority were a department in the public service of Jamaica.*" Section 27 (2) (a) states: "*As soon as practicable after the end of each financial year of a Local Authority, but in any event such time as may be prescribed-the Local Authority shall make available to the Auditor General in such manner as the Auditor General may require, all returns, books, papers or other information required by the Auditor General...*".

**3.2.205.** Despite some MCs taking active steps to become current or significantly reduce the number of outstanding statements, at the time of this report, the responsible officers have not submitted a total of 68 financial statements (**Table 32**) as required by the Act. Additionally, the Municipal Corporations generally have been slow in responding to requests for relevant documents and records to support the financial statements that have already been submitted. The Permanent Secretary has since issued a reminder to the Chief Executive Officers of each Municipal Corporation to take the necessary steps to prepare and submit their outstanding financial statements and to treat this as a matter of priority.

**Table 32: Outstanding Financial Statements – Municipal Corporations**

Municipal Corporations	Years	Total outstanding
St. Mary Municipal Corporation	2014/2015 2021/2022	-8
Portmore Municipal Council	2019/2020 2021/2022	-3
Hanover Municipal Corporation	2020/2021 2021/2022	-2
Westmoreland Municipal Corporation	2014/2015 2021/2022	-8
St. Thomas Municipal Corporation	2014/2015 2021/2022	-8
St. James Municipal Corporation	2017/2018 2021/2022	-5
Portland Municipal Corporation	2021/2022	1
St. Elizabeth Municipal Corporation	2021/2022	1
Clarendon Municipal Corporation	2015/2016 2021/2022	-7
Kingston and St. Andrew Municipal Corporation	2016/2017 2021/2022	-6
Trelawny Municipal Corporation	2020/2021 2021/2022	-2
St. Catherine Municipal Corporation	2018/2019 2021/2022	-4
St. Ann Municipal Corporation	2009/2010 2021/2022	-13
<b>Total Financial Statement Outstanding</b>		<b>68</b>

**Table 33: Specific responses from the local authorities**

Local Authorities	Outstanding Statements	Remarks/Challenges
Kingston and St. Andrew MC	2016/17- 2021/22	In dialogue with Auditor General Department and finalizing with them based on the template submitted.
Clarendon MC	2015/16- 2021/22	The Clarendon MC does not have the resource person and it is seeking to engage someone to get the statements updated.
St. Elizabeth MC	2021/2022	Auditor General took their focus away to respond to audits from 2013 – 2021 and the challenge is gathering the documents to respond to said statements/audits because of how far back the F/S were sent. The Corporation is in dialogue with them nonetheless.
Westmoreland MC	2014/15- 2021/22	The source documents are being located but some are unable to be located. Nonetheless, they are working to get them completed for submission.
Hanover MC	2020/21- 2021/22	They were working on the outstanding statements, but they are presently experiencing a system challenge. Nonetheless, the Auditor General sent an

		engagement letter and should be coming to the Corporation in January 2023.	
St. James MC	2017/18-2021/22	Working to complete the outstanding F/S during the period January – March 2023.	
Trelawny MC	2020/21-2021/22	2020/2021 – 98% completed and should be submitted by the end of December 2022. The 2021 – 2022 is being worked on.	
St. Ann MC	2009/10-2021/22	The Corporation has made the provision/request for an officer to be employed on Contract to deal with the matter. The person is slated to commence January 2023.	
St. Thomas MC	2014/15-2021/22	Auditor General is in dialogue with St. Thomas MC and the St. Thomas MC Consultant. They are working with them to meet the deadlines for the various years. The first deadline is December 23, 2022, for 2011/2012 (This was a recast). The 2014/2015 is due March 10, 2023.	
Portmore City Municipality	2019/20-2021/22	Currently working on 2019/2020 and by July 2023 the others 2020/2021 and 2021/2022 should be up to date.	
<i>Source: MLGRD</i>			



## APPENDICES



## Appendix 1 - Schedule of Appropriation Accounts (April 2022-December 2022) and Status

Name of Client	Statement Type	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Accountant General's Department	Statement J	2012/2013	WIP-Planned	Acc. Gen Statements	1	Certified	1			
Accountant General's Department	Statement J	2017/2018	WIP-Planned	Acc. Gen Statements	1	Certified	1			
Accountant General's Department	Statement J	2018/2019	WIP-Planned	Acc. Gen Statements	1	Certified	1			
Accountant General's Department	Statement J	2019/2020	Unplanned	Acc. Gen Statements	1	Certified	1			
Accountant General's Department	Statement J	2020/2021	Unplanned	Acc. Gen Statements	1	Certified	1			
Accountant General's Department	Statement J	2021/2022	New-Planned	Acc. Gen Statements	1	WIP			1	
Accountant General's Department	Head 2011	2013/2014	Unplanned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
Accountant General's Department	Head 20011	2019/2020	Unplanned	Appropriation Account	1	Completed-		1		
Accountant General's Department (AcGD)	Recurrent	2019/2020	WIP-Planned	Appropriation Account	1	Certified	1			
Accountant General's Department-Public Debt: Amortization	NA	2015/2016	WIP-Planned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
Accountant General's Department-Public Debt: Amortization	NA	2016/2017	WIP-Planned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
Accountant General's Department-Public Debt: Amortization	NA	2017/2018	WIP-Planned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
Accountant General's Department-Public Debt: Interest	Recurrent	2018/2019	WIP-Planned	Appropriation Account	1	Certified	1			
Accountant General's Department-Public Debt: Interest	NA	2015/2016	WIP-Planned	Appropriation Account	1	Certified	1			
Accountant General's Department-Public Debt: Interest	NA	2016/2017	WIP-Planned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
Accountant General's Department-Public Debt: Interest	NA	2017/2018	WIP-Planned	Appropriation Account	1	Certified	1			
Administrator General's Department	Recurrent	2020/2021	New-Planned	Appropriation Account	1	Certified	1			
Administrator General's Department	Capital	2019/2020	Unplanned	Appropriation Account	1	Certified	1			
Cabinet	Recurrent	2018/2019	New-Planned	Appropriation Account	1	WIP			1	



Name of Client	Statement Type	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Cabinet	Capital B	2018/2019	New-Planned	Appropriation Account	1	WIP			1	
Cabinet	Recurrent	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Cabinet	Capital C	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Cabinet	Recurrent	2019/2020	New-Planned	Appropriation Account	1	Certified	1			
Cabinet	Capital	2019/2020	New-Planned	Appropriation Account	1	Certified	1			
Companies Office	Recurrent	2016/2017	New-Planned	Appropriation Account	1	WIP			1	
Court Administrative Division (CAD)	Recurrent	2014/2015	WIP-Planned	Appropriation Account	1	Certified	1			
Court Administrative Division (CAD)	Recurrent	2015/2016	WIP-Planned	Appropriation Account	1	Certified	1			
Court Administrative Division (CAD)	Recurrent	2016/2017	WIP-Planned	Appropriation Account	1	Certified	1			
Court Administrative Division (CAD)	Recurrent	2017/2018	WIP-Planned	Appropriation Account	1	Returned to client for correction and signature		1		
Department of Correctional Services	Recurrent	2014/2015	Unplanned	Appropriation Account	1	Certified	1			
Department of Correctional Services	Recurrent	2015/2016	Unplanned	Appropriation Account	1	Certified	1			
Governor General	Recurrent	2016/2017	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2010/2011	WIP-Planned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2012/2013	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2011/2012	WIP-Planned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2013/2014	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2014/2015	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2015/2016	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2016/2017	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2017/2018	Unplanned	Appropriation Account	1	Certified	1			
Houses of Parliament (HoP)	Recurrent	2018/2019	New-Planned	Appropriation Account	1	Not submitted				1
Houses of Parliament (HoP)	Recurrent	2019/2020	New-Planned	Appropriation Account	1	Not submitted				1
Independent Commission of Investigations (INDECOM)	Recurrent	2021/2022	WIP-Planned	Appropriation Account	1	WIP			1	
Jamaica Information Service (JIS)	Recurrent	2018/2019	New-Planned	Appropriation Account	1	WIP			1	

Name of Client	Statement Type	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Jamaica Information Service (JIS)	Recurrent	2019/2020	New-Planned	Appropriation Account	1	WIP			1	
Jamaica Information Service (JIS)	Recurrent	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Judiciary	Recurrent	2019/2020	WIP-Planned	Appropriation Account	1	WIP			1	
Judiciary	Recurrent	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Recurrent	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Capital C	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Capital B	2017/2018	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Recurrent	2018/2019	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Capital A	2018/2019	New-Planned	Appropriation Account	1	Certified	1			
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Capital B	2018/2019	New-Planned	Appropriation Account	1	Certified	1			
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Recurrent	2019/2020	New-Planned	Appropriation Account	1	Certified	1			
Ministry of Economic Growth & Job Creation (MEGJC)	Recurrent	2018/2019	New-Planned	Appropriation Account	1	WIP			1	
Ministry of Economic Growth & Job Creation (MEGJC)	Capital A	2018/2019	New-Planned	Appropriation Account	1	WIP			1	
Ministry of Economic Growth & Job Creation (MEGJC)	Capital B	2018/2019	New-Planned	Appropriation Account	1	WIP			1	
Ministry of Education, Youth & Information (MOEYI)	Recurrent	2012/2013	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of Education, Youth & Information (MOEYI)	Recurrent	2019/2020	WIP-Planned	Appropriation Account	1	Completed		1		
Ministry of Education, Youth & Information (MOEYI)	Capital C	2019/2020	WIP-Planned	Appropriation Account	1	Completed		1		
Ministry of Finance & Public Service (MoFPS)	Recurrent	2017/2018	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Finance & Public Service (MoFPS)	Recurrent	2019/2020	New-Planned	Appropriation Account	1	Resubmitted		1		
Ministry of Finance & Public Service (MoFPS)	Capital C	2019/2020	New-Planned	Appropriation Account	1	Statements not submitted				1

Name of Client	Statement Type	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Ministry of Industry, Commerce, Agriculture & Fisheries (MICAF)	Recurrent	2015/2016	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Industry, Commerce, Agriculture & Fisheries (MICAF)	Recurrent	2019/2020	New-Planned	Appropriation Account	1	Not submitted				1
Ministry of Industry, Commerce, Agriculture & Fisheries (MICAF)	Capital C	2019/2020	New-Planned	Appropriation Account	1	Not submitted				1
Ministry of Justice (MoJ)	Recurrent	2018/2019	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Justice (MoJ)	Capital A	2018/2019	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Justice (MoJ)	Capital A	2015/2016	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Justice (MoJ)	Capital A	2017/2018	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Local Government and Community Development (MLGCD)	Capital C	2019/2020	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Local Government and Community Development (MLGCD)	Recurrent	2019/2020	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Local Government and Community Development (MLGCD)	Capital C	2020/2021	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Local Government and Community Development (MLGCD)	Recurrent	2020/2021	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of National Security (MNS)	Recurrent	2017/2018	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of National Security (MNS)	Capital A	2017/2018	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of National Security (MNS)	Capital B	2017/2018	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of National Security (MNS)	Recurrent	2018/2019	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of National Security (MNS)	Capital A	2018/2019	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of National Security (MNS)	Capital B	2018/2019	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of Science, Energy & Technology (MSET)	Recurrent	2016/2017	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Science, Energy & Technology (MSET)	Capital B	2016/2017	Unplanned	Appropriation Account	1	Certified	1			
Ministry of Science, Energy & Technology (MSET)	Recurrent	2017/2018	WIP-Planned	Appropriation Account	1	Certified	1			

Name of Client	Statement Type	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Ministry of Science, Energy & Technology (MSET)	Capital A	2017/2018	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Tourism (MoT)	Recurrent	2019/2020	New-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Recurrent	2020/2021	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Recurrent	2016/2017	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Capital A	2016/2017	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Capital B	2016/2017	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Recurrent	2018/2019	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Recurrent	2019/2020	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Transport and Mining (MTM)	Capital	2019/2020	WIP-Planned	Appropriation Account	1	Certified	1			
Ministry of Water & Housing (MTWH)	Capital	2014/2015	WIP-Planned	Appropriation Account	1	WIP			1	
Ministry of Water & Housing (MTWH)	Recurrent	2014/2015	WIP-Planned	Appropriation Account	1	WIP			1	
Office of the Children's Advocate (OCA)	Recurrent	2018/2019	Unplanned	Appropriation Account	1	Certified	1			
Office of the Prime Minister	Recurrent	2019/2020	New-Planned	Appropriation Account	1	WIP			1	
Office of the Prime Minister	Recurrent	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Office of the Prime Minister	Capital C	2020/2021	New-Planned	Appropriation Account	1	WIP			1	
Office of the Prime Minister	Recurrent	2017/2018	New-Planned	Appropriation Account	1	Certified	1			
Office of the Prime Minister	Capital A	2017/2018	New-Planned	Appropriation Account	1	Certified	1			
Office of the Prime Minister	Capital B	2017/2018	New-Planned	Appropriation Account	1	Certified	1			
Office of the Prime Minister	Capital	2019/2020	New-Planned	Appropriation Account	1	WIP			1	
Office of the Services Commission (OSC)	Recurrent	2017/2018	WIP-Planned	Appropriation Account	1	WIP			1	
Office of the Services Commission (OSC)	Recurrent	2018/2019	New-Planned	Appropriation Account	1	WIP			1	
Office of the Services Commission (OSC)	Recurrent	2014/2015	WIP-Planned	Appropriation Account	1	Certified	1			
Office of the Services Commission (OSC)	Recurrent	2015/2016	New-Planned	Appropriation Account	1	WIP			1	
Office of the Services Commission (OSC)	Recurrent	2012/2013	WIP-Planned	Appropriation Account	1	Certified	1			
Passport, Immigration & Citizenship Agency (PICA)	Recurrent	2014/2015	New-Planned	Appropriation Account	1	Not Started				1
Police Department	Recurrent	2016/2017	Unplanned	Appropriation Account	1	Certified	1			

Name of Client	Statement Type	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Post & Telecommunications Department (PTD)	Recurrent	2015/2016	WIP-Planned	Appropriation Account	1	Certified	1			
Post & Telecommunications Department (PTD)	Recurrent	2016/2017	WIP-Planned	Appropriation Account	1	Certified	1			
Post & Telecommunications Department (PTD)	Recurrent	2017/2018	New-Planned	Appropriation Account	1	Rescheduled				1
Post & Telecommunications Department (PTD)	Recurrent	2018/2019	New-Planned	Appropriation Account	1	Rescheduled				1
Registrar General's Department (RGD)-	Recurrent	2014/2015	New-Planned	Appropriation Account	1	Statements not submitted				1
Resident Magistrates Court (RMC)	Recurrent	2011/2012	WIP-Planned	Appropriation Account	1	Certified	1			
Supreme Court	Recurrent	2011/2012	WIP-Planned	Appropriation Account	1	Certified	1			
Supreme Court	Recurrent	2018/2019	WIP-Planned	Appropriation Account	1	Certified	1			
Tax Administration Jamaica (TAJ)	Head 20056	2019/2020	WIP-Planned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
Tax Administration Jamaica (TAJ)	200056	2020/2021	Unplanned	Appropriation Account	1	Completed-Returned to Client for Correction		1		
<b>TOTALS</b>					<b>120</b>		<b>66</b>	<b>12</b>	<b>33</b>	<b>9</b>

## Appendix 2 - Schedule of Financial Statements (April 2022-December 2022) and Status

Name of Client	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Administrator Generals Department	2020/2021	Unplanned	Financial Statements	1	Certified	1			
Anti-Dumping	2021/2022	NEW-Planned	Financial Statements	1	Not Submitted				1
Anti-Dumping	2018/2019	NEW-Planned	Financial Statements	1	Certified	1			
Anti-Dumping	2019/2020	NEW-Planned	Financial Statements	1	Certified	1			
Anti-dumping and Subsidies Commission	2020/2021	New-Planned	Financial Statements	1	Not submitted				1
Boosting Innovation, Growth & Entrepreneurship Ecosystems (BIGEE)	2021/2022	New-Planned	Project	1	Certified	1			
Cannabis Licensing Authority (CLA)		New-Planned	Financial Statements	1	Not Submitted				1
Council of Community Colleges Jamaica (CCCJ)	2020/2021	WIP-Planned	Financial Statements	1	Certified	1			
Council of Community Colleges Jamaica (CCCJ)	2019/2020	WIP-Planned	Financial Statements	1	Certified	1			
Credit Enhancement Programme for MSMEs Project	2021/2022	New-Planned	Project	1	Certified	1			
Early Childhood Commission (ECC)	2020/2021	WIP-Planned	Financial Statements	1	Certified	1			
Financial Investigations Division (FID)	2018/2019	NEW-Planned	Financial Statements	1	WIP			1	
Financial Investigations Division (FID)	2019/2020	New-Planned	Financial Statement	1	WIP			1	
Financial Services Commission (FSC)	2021/2022	New-Planned	Project	1	Certified	1			
Firearm Licensing Authority (FLA)	2018/2019	WIP-Planned	Financial Statements	1	Certified	1			
Forestry Department	2017/2018	NEW-Planned	Financial Statements	1	WIP			1	
Forestry Department	2016/2017	New-Planned	Financial Statements	1	Certified	1			
Foundations for Competitiveness & Growth (FCG)	2021/2022	New-Planned	Project	1	Certified	1			
INDECOM-	2022	New-Planned	Project	1	WIP			1	
INDECOM-Anti-corruption and prevention	2021	New-Planned	Project	1	Certified	1			
Institute of Jamaica (IOJ)	2015/2016	NEW-Planned	Financial Statements	1	Not started				1
Institute of Jamaica (IOJ)	2016/2017	NEW-Planned	Financial Statements	1	Not started				1
Institute of Jamaica (IOJ)	2014/2015	WIP-Planned	Financial Statements	1	WIP			1	
JAF for MSMEs	2021/2022	New-Planned	Project	1	Certified	1			
Jamaica 4H Clubs	2016/2017	WIP-Planned	Financial Statements	1	Certified	1			

Name of Client	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Jamaica 4H Clubs	2017/2018	WIP-Planned	Financial Statements	1	WIP			1	
Jamaica 4H Clubs	2015/2016	WIP-Planned	Financial Statements	1	Certified	1			
Jamaica Customs Agency (JCA)	2017/2018	WIP-Planned	Financial Statements	1	Certified	1			
Jamaica Information Service	2019/2020	WIP-Planned	Financial Statements	1	WIP	-		1	
Jamaica Information Service (JIS)	2020/2021	NEW-Planned	Financial Statements	1	WIP			1	
Jamaica Intellectual Property Office	2018/2019	Unplanned	Financial Statements	1	Certified	1			
Jamaica Intellectual Property Office (JIPO)	2020/2021	NEW-Planned	Financial Statements	1	WIP			1	
Jamaica Intellectual Property Office (JIPO)	2019/2020	New-Planned	Financial Statements	1	Certified	1			
Jamaica Library Service	2015/2016	WIP-Planned	Financial Statements	1	WIP			1	
Jamaica Library Service	2016/2017	WIP-Planned	Financial Statements	1	WIP			1	
Jamaica Library Service	2017/2018	WIP-Planned	Financial Statements	1	WIP			1	
Jamaica National Heritage Trust (JNHT)	2008/2009	WIP-Planned	Financial Statements	1	Certified	1			
Jamaica Social Investment Fund (JSIF)	2021/2022	New-Planned	Project	1	Certified	1			
Jamaica Social Investment Fund (JSIF) -Disaster Vulnerability Reduction	2021/2022	New-Planned	Project	1	Certified	1			
Jamaica Social Investment Fund-SREDIP	2021/2022	New-Planned	Project	1	Certified	1			
Management Institute for National Development (MIND)	2021/2022	NEW-Planned	Financial Statements	1	Certified	1			
Manchester Municipal Corporation (MC)	2011/2012	WIP-Planned	Financial Statements	1	Certified	1			
Manchester Municipal Corporation (MC)	2012/2013	WIP-Planned	Financial Statements	1	Certified	1			
Manchester Municipal Corporation (MC)	2013/2014	WIP-Planned	Financial Statements	1	Certified	1			
Manchester Municipal Corporation (MC)	2014/2015	NEW-Planned	Financial Statements	1	Completed and returned to client for signature		1		
Manchester Municipal Corporation (MC)	2015/2016	NEW-Planned	Financial Statements	1	Completed and returned to client for signature		1		
Manchester Municipal Corporation (MC)	2016/2017	NEW-Planned	Financial Statements	1	WIP			1	
Manchester Municipal Corporation (MC)	2017/2018	NEW-Planned	Financial Statements	1	Not started				1
Manchester Municipal Corporation (MC)	2018/2019	NEW-Planned	Financial Statements	1	Not started				1
Manchester Municipal Corporation (MC)	2019/2020	NEW-Planned	Financial Statements	1	Not started				1

Name of Client	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Manchester Municipal Corporation (MC)	2020/2021	NEW-Planned	Financial Statements	1	Not started				1
Milk River Bath	2020/2021	New-Planned	Financial Statements	1	Certified	1			
Ministry of Justice (MoJ) Unification	2021/2022	New-Planned	Project	1	Certified	1			
National Council on Drug Abuse (NCDA)	2011/2012	WIP-Planned	Financial Statements	1	WIP			1	
National Council on Education (NCE)	2018/2019	WIP-Planned	Financial Statements	1	WIP			1	
National Environmental Planning Agency (NEPA)	2018/2019	WIP-Planned	Financial Statements	1	Certified	1			
National Environmental Planning Agency (NEPA)	2019/2020	WIP-Planned	Financial Statements	1	Certified	1			
National Environmental Planning Agency (NEPA)	2020/2021	WIP-Planned	Financial Statements	1	Not Submitted				1
National Environmental Planning Agency (NEPA)	2020/2021	WIP-Planned	Financial Statements	1	Completed-Returned to client for correction		1		
National Insurance Scheme (NIS)	2015/2016	WIP-Planned	Financial Statements	1	WIP			1	
National Land Agency (NLA)	2011/2012	WIP-Planned	Financial Statements	1	Completed-Returned to client for correction		1		
National Land Agency (NLA)	2010/2011	WIP-Planned	Financial Statements	1	Completed-Returned to client for correction		1		
National Land Agency (NLA)	2012/2013	WIP-Planned	Financial Statements	1	Completed-Returned to client for correction		1		
National Library of Jamaica	2016/2017	WIP-Planned	Financial Statements	1	WIP			1	
National Library of Jamaica	2017/2018	WIP-Planned	Financial Statements	1	WIP			1	
National Works Agency	2019/2020	WIP-Planned	Financial Statements	1	Certified	1			
National Works Agency	2020/2021		Financial Statements	1	Certified	1			
National Works Agency (NWA)	2020/2021	WIP-Planned	Financial Statements	1	Certified	1			
National Youth Service (NYS)	2013/2014	NEW-Planned	Financial Statements	1	Not started				1
Overseas Examination Commission (OEC)	2020/2021	WIP-Planned	Financial Statements	1	Certified	1			
Parochial Revenue Fund (PRF)	2020/2021	NEW-Planned	Financial Statements	1	Not started				1
Passport Immigration & Citizenship Agency (PICA)	2014/2015	NEW-Planned	Financial Statements	1	WIP			1	
Passport Immigration & Citizenship Agency (PICA)	2013/2014	WIP-Planned	Financial Statements	1	Certified	1			
Pharmacy Council of Jamaica	2018/2019	WIP-Planned	Financial Statements	1	Certified	1			



Name of Client	Years	Planned/Unplanned As (WIP/NEW)	Type of Audit	# Of Statements	Current Status	Certified	Audits Conducted	Audits in Progress	Pending
Planning Institute of Jamaica- Improving Climate Data & Information Management (ICDIM)	2021/2022	New-Planned	Project	1	Certified	1			
Portland Municipal Corporation (MC)	2010/2011	NEW-Planned	Financial Statements	1	Certified	1			
Portland Municipal Corporation (MC)	2011/2012	NEW-Planned	Financial Statements	1	Certified	1			
Portland Municipal Corporation (MC)	2012/2013	NEW-Planned	Financial Statements	1	WIP			1	
Portland Municipal Corporation (MC)	2013/2014	NEW-Planned	Financial Statements	1	WIP			1	
Portland Municipal Corporation (MC)	2014/2015	NEW-Planned	Financial Statements	1	WIP			1	
Portland Municipal Corporation (MC)	2015/2016	NEW-Planned	Financial Statements	1	WIP			1	
Portland Municipal Corporation (MC)	2016/2017	NEW-Planned	Financial Statements	1	Not started				1
Portland Municipal Corporation (MC)	2017/2018	NEW-Planned	Financial Statements	1	Not started				1
Portland Municipal Corporation (MC)	2018/2019	NEW-Planned	Financial Statements	1	Not started				1
Portland Municipal Corporation (MC)	2019/2020	NEW-Planned	Financial Statements	1	Not started				1
Portland Municipal Corporation (MC)	2020/2021	NEW-Planned	Financial Statements	1	Not started				1
Private Security Regulation Authority (PSRA)	2019/2020	New-Planned	Financial Statements	1	Certified	1			
Promoting Community-Based Climate Resilience (PCCR)	2021/2022	New-Planned	Project	1	Certified	1			
Public Procurement Commission	2019/2020	Unplanned	Financial Statements	1	Certified	1			
Public Procurement Commission	2020/2021	Unplanned	Financial Statements	1	Certified	1			
Public Procurement Commission	2021/2022	Unplanned	Financial Statements	1	Certified	1			
Registrar General's Department (RGD)	2021/2022	NEW-Planned	Financial Statements	1	WIP			1	
Registrar General's Department (RGD)	2020/2021	NEW-Planned	Financial Statements	1	Certified	1			
Serious and organised crime & anti-Corruption	2021	NEW-Planned	Project	1	Certified	1			
Youth Employment in the Digital & Animation Industries (YEDAI)	April 2021- November 2021	WIP-Planned	Project	1	Certified	1			
<b>TOTALS</b>				<b>95</b>		<b>48</b>	<b>6</b>	<b>24</b>	<b>17</b>

## Appendix 3 - Outstanding Financial Statements and Appropriation Accounts

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
	Forestry Department (*)	Accrual basis	2018/2019 - 2021/2022	4
	Bath Fountain Hotel and Spa	Cash basis	2021/2022	1
	Private Security Regulation Authority	Cash basis	2021/2022	1
	Cannabis Licensing Authority	Accrual basis	2019/2020 - 2021/2022	3
	National Environment and Planning Agency (*)	Accrual basis	2020/2021 - 2021/2022	2
	Companies Office of Jamaica	Accrual basis	2020/2021 - 2021/2022	2
	Registrar General's Department (*)		2021/2022	1
	Jamaica Custom Agency (*)	Accrual basis	2019/2020 - 2021/2022	3
	National Commission for Science and Technology	Cash basis	2015/2016 - 2021/2022	7
	Jamaica Intellectual Property Office	Accrual basis	2021/2022	1
	National Land Agency (*)	Accrual basis	2019/2020 - 2021/2022	3
	Passport, Immigration and Citizenship Agency (*)	Accrual basis	2018/2019 - 2020/2022	4
	Capital Development Fund	Accrual basis	2017/2018 - 2020/2022	5
	Firearm Licensing Authority	Accrual basis	2020/2021 - 2021/2022	2
	Pesticides Control Authority	Accrual basis	2015/2016 to 2021/2022	7
	National Council on Education	Accrual basis	2019/2020 to 2021/2022	3
	Anti-Dumping and Subsidies Commission	Accrual basis	2020/2021 - 2021/2022	2
	Financial Investigations Division	Accrual basis	2021/2022	1
	Institute of Jamaica	Accrual basis	2017/2018 - 2021/2022	5
	Jamaica 4-H Clubs	Accrual basis	2020/2021 - 2021/2022	2
	Jamaica National Heritage Trust	Accrual basis	2009/2010 - 2021/2022	13
	Jamaica Veterinary Board	Cash basis	2020/2021 - 2021/2022	2
	Land Administration Management Programme	Accrual basis	2015/2016 - 2017/2018	3
	National Council on Drug Abuse	Accrual basis	2012/2013 - 2021/2022	10
	National Gallery of Jamaica	Accrual basis	2016/2017 - 2021/2022	6
	National Insurance Scheme	Accrual basis	2020/2021 - 2021/2022	2
	National Youth Services	Accrual basis	2014/2015 - 2019/2020	6
	Pharmacy Council of Jamaica	Accrual basis	2020/2021 - 2021/2022	2
	Police Civilian Oversight Authority	Accrual basis	2019/2020 - 2021/2022	3
	Social Development Commission	Accrual basis	2021/2022	1
	National Library of Jamaica	Cash basis	2019/2020 - 2021/2022	3
	Jamaica Library Services	Accrual basis	2019/2020 - 2021/2022	3
	Clarendon Municipal Corporation	Modified Accrual Basis	2015/2016 - 2021/2022	7
	Hanover Municipal Corporation	Modified Accrual Basis	2020/2021 - 2021/2022	2
	Kingston & St. Andrew Municipal Corporation	Modified Accrual Basis	2016/2017 - 2021/2022	6
	Portland Municipal Corporation	Modified Accrual Basis	2021/2022	1
	Portmore Municipal Council	Modified Accrual Basis	2019/2020 - 2021/2022	3

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
	St. Ann Municipal Corporation	Modified Accrual Basis	2009/2010 – 2021/2022	13
	St. Catherine Municipal Corporation	Modified Accrual Basis	2018/2019 – 2021/2022	4
	St. Elizabeth Municipal Corporation	Modified Accrual Basis	2021/2022	1
	St. James Municipal Corporation	Modified Accrual Basis	2017/2018 - 2021/2022	5
	St. Mary Municipal Corporation	Modified Accrual Basis	2014/2015 - 2021/2022	8
	St. Thomas Municipal Corporation	Modified Accrual Basis	2014/2015 - 2021/2022	8
	Trelawny Municipal Corporation	Modified Accrual Basis	2020/2021 – 2021/2022	2
	Westmoreland Municipal Corporation	Modified Accrual Basis	2014/2015 - 2021/2022	8
02000	Houses of Parliament	Appropriation Account	2021/2022	1
03000	Office of the Public Defender	Appropriation Account	2020/2021 - 2021/2022	2
06000	Office of the Services Commission	Appropriation Account	2021/2022	1
8000	Independent Commission of Investigations	Appropriation Account	2021/2022	1
15000A	Office of the Prime Minister	Appropriation Account	2018/2019	1
15000B	Office of the Prime Minister	Appropriation Account	2018/2019	1
15000C	Office of the Prime Minister	Appropriation Account	2019/2020; 2021/2022	2
15020	Registrar General's Department (*)	Appropriation Account	2014/2015; 2020/2021 - 2021/2022	3
16049	Management Institute for National Development	Appropriation Account	2020/2021 - 2021/2022	2
19000	Ministry of Economic Growth and Job Creation	Appropriation Account	2021/2022	1
19000C	Ministry of Economic Growth and Job Creation	Appropriation Account	2021/2022	1
19046	Forestry Department (*)	Appropriation Account	2013/2014 - 2021/2022	11
19047	National Land Agency (*)	Appropriation Account	2010/2011 - 2021/2022	11
19048	National Environment and Planning Agency (*)	Appropriation Account	2020/2021 - 2021/2022	2
19050	National Works Agency (*)	Appropriation Account	2001/2002 - 2021/2022	22
20000	Ministry of Finance and the Public Service	Appropriation Account	2019/2020 - 2021/2022	3
20000C	Ministry of Finance and the Public Service	Appropriation Account	2019/2020 - 2021/2022	3
20011	Accountant General	Appropriation Account	2020/2021 - 2021/2022	2
20012	Jamaica Custom's Agency	Appropriation Account	2014/2015 - 2021/2022	8
20018	Public Debt Servicing (Interest Payments)	Appropriation Account	2019/2020 - 2021/2022	3
20017	Public debt: Amortisation	Appropriation Account	2018/2019 - 2021/2022	4
20019	Pensions	Appropriation Account	2013/2014 to 2021/2022	9
20056	Tax Administration Jamaica	Appropriation Account	2021/2022	1
21000	Ministry of Housing, Urban Renewal, Environment and Climate Change	Appropriation Account	2021/2022	1
21000C	Ministry of Housing, Urban Renewal, Environment and Climate Change	Appropriation Account	2021/2022	1

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
26000	Ministry of National Security	Appropriation Account	2020/2021 - 2021/2022	2
26000C	Ministry of National Security	Appropriation Account	2020/2021 - 2021/2022	2
26022	Police Department	Appropriation Account	2019/2020 - 2020/2022	3
26024	Department of Correctional Services	Appropriation Account	2019/2020 - 2020/2022	3
26057	Institute of Forensic Science & Legal Medicine	Appropriation Account	2017/2018 - 2021/2022	5
28000	Ministry of Justice	Appropriation Account	2021/2022	1
28027	Resident Magistrates' Courts/Parish Courts	Appropriation Account	2013/2014; 2015/2016	2
28029	Supreme Court	Appropriation Account	2013/2014; 2015/2016	2
28032	Trustee in Bankruptcy	Appropriation Account	2014/2015 to 2017/2018	4
28058	Judiciary	Appropriation Account	2021/2022	1
30000	Ministry of Foreign Affairs & Foreign Trade	Appropriation Account	2020/2021 - 2021/2022	2
40000	Ministry of Labour & Social Security	Appropriation Account	2018/2019 - 2021/2022	4
40000B	Ministry of Labour & Social Security	Appropriation Account	2011/2012 - 2012/2013	2
40000C	Ministry of Labour & Social Security	Appropriation Account	2019/2020 - 2020/2022	3
41000	Ministry of Education & Youth	Appropriation Account	2012/2013 - 2017/2018; 2020/2021 - 2021/2022	8
41000A	Ministry of Education & Youth	Appropriation Account	2012/2013 - 2017/2018	6
41000B	Ministry of Education & Youth	Appropriation Account	2012/2013 - 2017/2018	6
41000C	Ministry of Education & Youth	Appropriation Account	2020/2021 - 2021/2022	2
41051	Child Protection and Family Services Agency (formerly Child Development Agency) (*)	Appropriation Account	2017/2018 - 2018/2019	2
42000	Ministry of Health	Appropriation Account	2013/2014 - 2021/2022	9
42000A	Ministry of Health	Appropriation Account	2015/2016 - 2017/2018	3
42000B	Ministry of Health	Appropriation Account	2015/2016 - 2018/2019	4
42000C	Ministry of Health	Appropriation Account	2019/2020 - 2021/2022	3
42034	Bellevue Hospital	Appropriation Account	2015/16; 2018/19; 2020/21; 2021/22	4
42035	Government Chemist	Appropriation Account	2015/16; 2017/18 - 2021/22	6
46000	Ministry of Culture, Gender, Entertainment & Sport	Appropriation Account	2021/2022	1
50000	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Account	2015/16, 2018/19 - 2020/2021	4
50000A	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Account	2016/2017 - 2018/2019	3
50000B	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Account	2016/2017 - 2018/2019	3
50000C	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Account	2019/2020 - 2020/2021	2
510000	Ministry of Agriculture and Fisheries	Appropriation Account	2020/2021 - 2021/2022	2
510000C	Ministry of Agriculture and Fisheries	Appropriation Account	2020/2021 - 2021/2022	2
5300	Ministry of Industry, Investment & Commerce	Appropriation Account	2011/2012 to 2014/2015	4
5300A	Ministry of Industry, Investment & Commerce	Appropriation Account	2012/2013 to 2014/2015	3

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Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
5300B	Ministry of Industry, Investment & Commerce	Appropriation Account	2011/2012 to 2014/2015	4
53038	Companies Office of Jamaica (*)	Appropriation Account	2013/2014 - 2015/2016 & 2017/2018 - 2021/2022	**9
56000	Ministry of Science, Energy & Technology	Appropriation Account	2020/2021	1
56000C	Ministry of Science, Energy & Technology	Appropriation Account	2020/2021	1
56039	Post & Telecommunications Department	Appropriation Account	2021/2022	1
<b>Total</b>				<b>407</b>
	* These entities are required to prepare both Appropriation Accounts and accrual basis financial statements.			
	** Two Heads for 2020/2021			