

Auditor General's Department

Annual Report

2023



Report of The Auditor General on the Financial Transactions and Financial Statements of the Government of Jamaica for the Financial Year Ended March 31, 2023, and Performance Report of the Auditor General's Department.

Document Number	Date
AuGD 556 - 1607.1	2023 December 28

Table of Contents

ABBREVIATIONS	6
THE AUDITOR GENERAL'S OVERVIEW	10
SECTION 1	12
ABOUT US	13
OUR STRATEGIC OBJECTIVES	15
ROLE OF THE AUDITOR GENERAL	16
GUIDING LEGISLATION	18
ORGANIZATIONAL STRUCTURE	19
OUR INTERNAL ACCOUNTABILITY AND GOVERNANCE FRAMEWORK	20
WORKFORCE CAPACITY	20
TOTAL RESOURCE ALLOCATION	20
RESOURCE ALLOCATION AUDIT STREAMS	21
RESOURCE ALLOCATION NON-AUDIT STREAMS	21
PROFESSIONALIZATION LEVEL OF EMPLOYEES	22
STRENGTHENING AND DEVELOPING OUR HUMAN CAPITAL	23
FINANCIAL MANAGEMENT	26
STAKEHOLDER CONSULTATION AND ENGAGEMENT	30
LEADING BY EXAMPLE - INTERNAL OVERSIGHT	31
QUALITY ASSURANCE UNIT	31
INTERNAL AUDIT UNIT	34
SECTION 2	36
ASSURANCE AUDITS	38
FINANCIAL STATEMENTS AND APPROPRIATION ACCOUNTS	38
INFORMATION TECHNOLOGY AUDIT UNIT	41
NON-ASSURANCE AUDITS: ECONOMIC ASSESSMENT, SPECIAL AND PERFORMANCE AUDITS	44
ECONOMIC ASSESSMENT UNIT (EAU)	44
SPECIAL AUDITS UNIT (SAU)	47
WHISTLEBLOWER ACTIVITY	48
SPECIAL AUDIT REPORTS IN 2023	49
THE PERFORMANCE AUDIT UNIT (PAU)	52
THE YEAR IN REVIEW	52
OUR ACHIEVEMENTS DURING 2023	52
PERFORMANCE AUDITS REPORTS IN 2023	55
SECTION 3	59
SURCHARGE REVIEW COMMITTEE (SRC) REPORT 2023	61
SUMMARY OF AUDIT FINDINGS AGAINST THEMATIC FRAMEWORK	63
HEAD 02000: HOUSES OF PARLIAMENT	67

HEAD 08000: THE INDEPENDENT COMMISSION OF INVESTIGATIONS (INDECOM)-SERIOUS ORGANIZED CRIME AND ANTI-CORRUPTION PROGRAMME (SOCAP) 2022	67
HEAD 15000: OFFICE OF THE PRIME MINISTER.....	68
HEAD 15000: OFFICE OF THE PRIME MINISTER-JAMAICA SOCIAL INVESTMENT FUND-DISASTER VULNERABILITY REDUCTION (JSIF-DVRP) AND RURAL ECONOMIC DEVELOPMENT INITIATIVE (REDI) 2 PROJECT	69
HEAD 15010: JAMAICA INFORMATION SERVICE (JIS).....	71
HEAD 15020: REGISTRAR GENERAL'S DEPARTMENT	73
HEAD 16000: OFFICE OF THE CABINET	73
HEAD 16049: MANAGEMENT INSTITUTE FOR NATIONAL DEVELOPMENT	74
HEAD 17000: MINISTRY OF TOURISM -BATH FOUNTAIN HOTEL AND SPA	74
HEAD 17000: MINISTRY OF TOURISM-MILK RIVER HOTEL AND SPA	75
HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION	75
HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION-DEVELOPMENT BANK OF JAMAICA BOOSTING INNOVATION, GROWTH & ENTREPRENEURSHIP ECOSYSTEMS PROGRAMME	75
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.....	76
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	77
HEAD 19046: FORESTRY DEPARTMENT	77
HEAD 19050: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION-NATIONAL WORKS AGENCY (NWA)	78
HEAD 20000: MINISTRY OF FINANCE AND THE PUBLIC SERVICE-PUBLIC PROCUREMENT COMMISSION (PPC).....	79
HEAD 20000 AND 20000C: MINISTRY OF FINANCE AND THE PUBLIC SERVICE	80
HEAD 20000: MINISTRY OF FINANCE AND THE PUBLIC SERVICE-PLANNING INSTITUTE OF JAMAICA (PIOJ)- IMPROVING CLIMATE DATA AND INFORMATION MANAGEMENT PROJECT	82
HEAD 20000: MINISTRY OF FINANCE AND THE PUBLIC SERVICE- PLANNING INSTITUTE OF JAMAICA-FOUNDATIONS FOR COMPETITIVENESS AND GROWTH PROJECT (FCGP).....	83
HEAD 20011: ACCOUNTANT GENERAL'S DEPARTMENT	84
HEAD 20012: JAMAICA CUSTOMS AGENCY.....	84
HEAD 20056: TAX ADMINISTRATION JAMAICA	85
HEAD 26000: PRIVATE SECURITY REGULATION AUTHORITY (PSRA)	85
HEAD 26022: POLICE DEPARTMENT	85
HEAD 26024: DEPARTMENT OF CORRECTIONAL SERVICES (DCS)	86
HEAD 26053: PASSPORT IMMIGRATION AND CITIZENSHIP AGENCY (PICA)	87
HEAD 26057: INSTITUTE OF FORENSIC SCIENCE AND LEGAL MEDICINE	87
HEAD 28000: MINISTRY OF JUSTICE-SERIOUS ORGANIZED CRIME AND ANTI-CORRUPTION PROGRAMME (SOCAP), PHASE 2 OF THE UNIFICATION OF THE PROSECUTORIAL SERVICES JAMAICA PROJECT	88
HEAD 30000: MINISTRY OF FOREIGN AFFAIRS AND FOREIGN TRADE.....	89
HEAD 40000: MINISTRY OF LABOUR AND SOCIAL SECURITY	90
HEAD 41000: MINISTRY OF EDUCATION, YOUTH	91
HEAD 41000: MINISTRY OF EDUCATION, YOUTH-COUNCIL OF COMMUNITY COLLEGES OF JAMAICA (CCCJ)	92

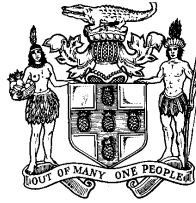
HEAD 41000: MINISTRY OF EDUCATION AND YOUTH-EARLY CHILDHOOD COMMISSION (ECC).....	93
HEAD 41000: MINISTRY OF EDUCATION AND YOUTH - NATIONAL COUNCIL ON EDUCATION.....	94
HEAD 41000: MINISTRY OF EDUCATION AND YOUTH -OVERSEAS EXAMINATIONS COMMISSION (OEC).....	95
HEAD 42000: MINISTRY OF HEALTH AND WELLNESS	95
HEAD 42035: GOVERNMENT CHEMIST	96
HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING - JAMAICA 4H CLUBS	97
HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING-PROMOTING COMMUNITY BASED CLIMATE RESILIENCE IN THE FISHERIES SECTOR PROJECT.....	97
HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE-JAMAICA INTELLECTUAL PROPERTY OFFICE	98
HEAD 53038: COMPANIES OFFICE OF JAMAICA	99
HEAD 72000: MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT.....	99
HEAD 72000: MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT-SOCIAL DEVELOPMENT COMMISSION (SDC)	100
HEAD 72000: MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT-MUNICIPAL CORPORATIONS BACKLOG AUDIT PROJECT	101
APPENDICES.....	106
APPENDIX A	107
OUTSTANDING STATEMENTS (FINANCIAL AND APPROPRIATION ACCOUNTS).....	107
APPENDIX B	112
LIST OF AUDITS EXECUTED AND STATUS	112

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
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
FPP	FISCAL POLICY PAPER
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
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
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)
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
PICA	PASSPORT, IMMIGRATION AND CITIZENSHIP AGENCY
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

THIS PAGE WAS INTENTIONALLY LEFT BLANK



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: -

AUDITOR GENERAL'S DEPARTMENT
40 KNUTSFORD BOULEVARD
P.O. BOX 455
KINGSTON 10
JAMAICA

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

Email: audgen@auditorgeneral.gov.jm.

December 28, 2023


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

Dear Madam,

Pursuant to Section 122 of the Jamaican Constitution and Section 29 of the Financial Administration and Audit (FAA) Act, I have the honour to submit my report on the results of my examination of the accounts of the Island for the year ended 31st March 2023 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 2022-November 2023 and all audits conducted up to November 2023.

Yours faithfully,


Pamela Monroe Ellis (Mrs.)
Auditor General

The Auditor General's Overview

I am pleased to share with you the annual report for the year 2023. The report provides overview of the AuGD's core internal processes and operations through the established governance mechanisms; highlights the successes gained and reports produced by our non-assurance and assurance Units.

At the core of AuGD's operations are its employees. As the organisation endeavored to continuously improve its business processes, we seized every opportunity to sharpen and enhance the knowledge, skills, and expertise of members of the AuGD. I am happy to report that throughout the reporting period, numerous capacity building programmes and initiatives were administered, congruent with the AuGD's Quality Policy. The AuGD maintained its ISO: 9001-2015 certification after a thorough examination of all our processes excluding that which governs Special Audit. I decided to exclude Special Audits due to the ISO auditors' need to access classified information.

In keeping with the constitution, I commissioned approximately 223 audits up to November 2023. Of this figure, 149 have been completed (where reports have been issued or certificates issued) and 74 remain as Work-In-Progress. Through the opinions and recommendations made, I hope to promote and foster a spirit of development and improvement in the public sector, and trust that our stakeholders will find the collective input valuable.

A risk-based sampling methodology was used to plan and execute audits aimed to identify errors, adherence to policies, procedures, guiding legislation and other irregularities. On this basis, I cannot guarantee the identification of all infractions and deficiencies. Nonetheless, I have noted a general improvement among the MDAs in the level of compliance with the FAA Act, Its Instruction and policies promulgated by the Ministry of Finance. This is evidenced in this report by the reduction in the number of audit issues emanating from the audits of financial statements and appropriation accounts. However, there was no improvement in the status of the audit of the Appropriation Accounts for the Ministries of Health and Wellness and Education and Youth. The Ministry of Education and Youth failed to submit its outstanding Appropriation Accounts for 24 years, despite assurances. Consequently, I was not able to determine the MoEY's compliance level and the general stewardship of the Ministry. On the other hand, the MoHW submitted its Appropriation Accounts on December 1, which I received on December 6, 2023. However, we determined that the MoH failed to effect corrections prescribed by its Chief Audit Executive. The Appropriation Accounts being materially incorrect were returned to the MoHW. We encouraged the MoH to return the Accounts as soon as possible.

Finally, the AuGD benefits from a dedicated and hardworking team of professionals, who have extended themselves year in and year out, to make significant contributions towards the realization of our strategic goals and objectives. This has undoubtedly propelled us in a position to truly be impactful as an organization through the provision of effective audit scrutiny. Finally, I would like to thank all stakeholders, including the Heads of Ministries, Departments and Agencies who have provided invaluable support to the AuGD whether in kind or through cooperation and support for the audits undertaken.



Pamela Monroe Ellis (Mrs.), F.C.C.A, F.C.A
Auditor General
December 2023

THIS PAGE IS INTENTIONALLY LEFT BLANK

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 22/23 FY.

Key Highlights:

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

ABOUT US

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.



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, 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.

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



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

Professionalism-we will undertake our work in accordance with the requirements of international

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

OUR STRATEGIC OBJECTIVES

Strategic Objective 1

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

Subcomponents 1. Execution of Assurance and Non-Assurance Audits to strengthen accountability and promote transparency in the public sector. 2 Provision of actionable recommendations beneficial to citizens of Jamaica; 3. Keeping in mind the complexity of government efforts needed to support the achievement of national priorities (NDP-Vision 2030) and Sustainable Development Goals.

Strategic Objective 2

- Promote and engender change in the public service through effective stakeholder engagement.

Subcomponents 1. Taking into consideration emerging risks and stakeholder concerns to maximize the impact of our work. 2. Enhanced partnerships with key stakeholders to improve use of public resources: 3. AuGD can increase its positive impact by establishing productive interaction with auditees enhancing cooperation and communication with stakeholders.

Strategic Objective 3

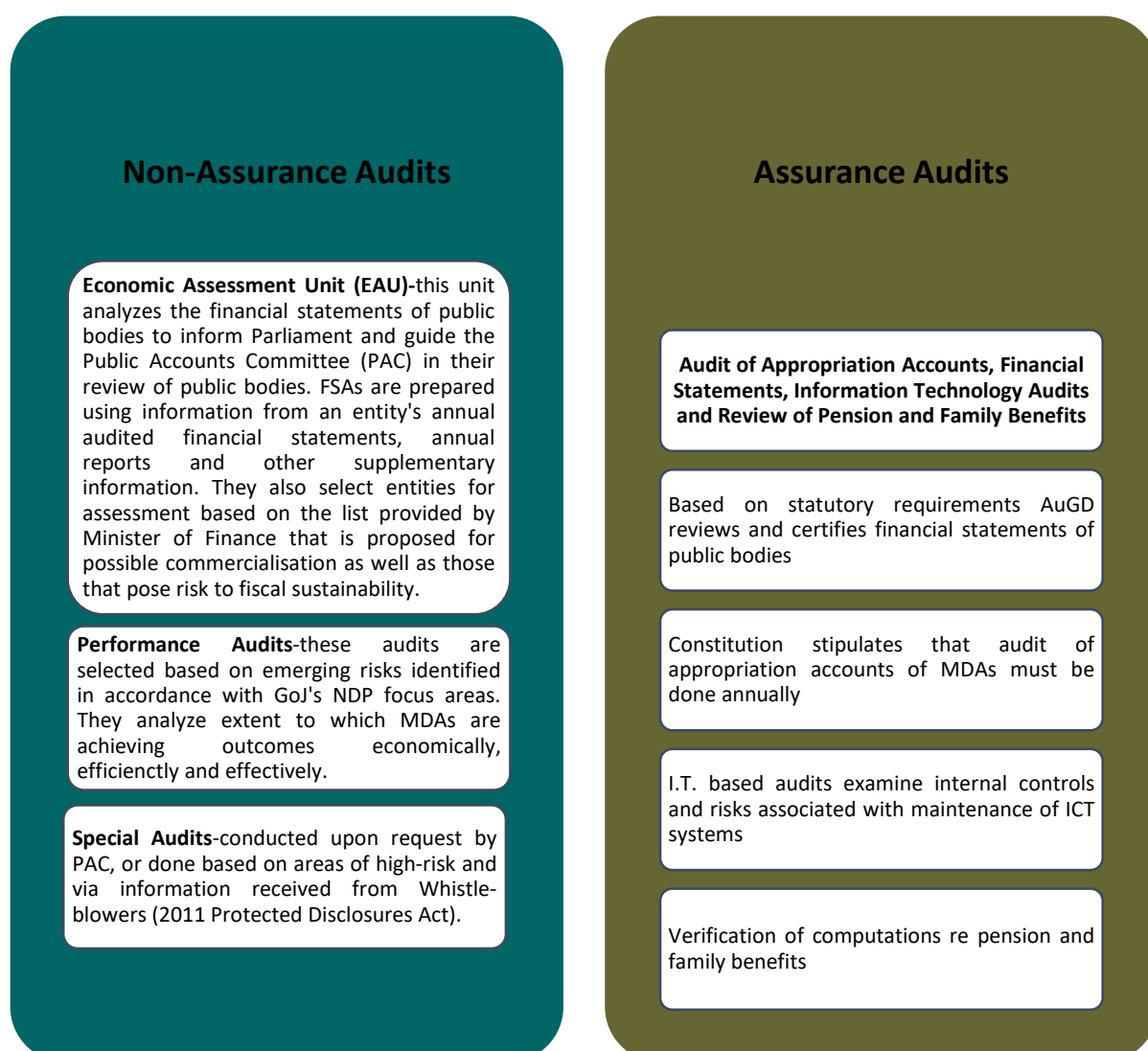
- AuGD is a model public entity with an inclusive and engaging culture.

Subcomponents 1. Our staff acts in accordance with our core values and demonstrate strong professional and ethical conduct; 2. A multifunctional and adaptable human resource cohort; 3. Responding effectively to opportunities brought by technological advancement.



ROLE OF THE AUDITOR GENERAL

The Constitution and the Financial Administration and Audit Act (FAA) outlines the authority and responsibilities of the Auditor General. With these legal requirements, the Auditor General each year is mandated to undertake and conduct statutory financial audits of Government Ministries, Departments and Agencies. Value for money examinations are also executed to determine whether or not public funds have been used economically, efficiently, and effectively. The Department's three-year strategic audit plan (SAP) is used to determine the way in which we will operate in accordance with the associated risk profiles of these said entities as well as the resources required to meet our targets. Through our audit reports we provide an independent, objective assessment of the government's financial management, promoting public confidence and trust in the use of public resources. These said reports are brought before Parliament.

The following services are provided by the AuGD:



Jamaica, similar to other countries, has committed to implement the sustainable development goals (SDGs) as part of its national development agenda. The SDGs have been integrated into Jamaica's Vision 2030, where achieving sustainable development requires a holistic approach to address social, economic, and environmental challenges. The Auditor General plays a critical role in monitoring and evaluating the country's progress towards achieving these said goals and expected outcomes, and also in ensuring accountability in the implementation of related policies and programmes.

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

GUIDING LEGISLATION

The Auditor General is required each year by December 31st to submit to the Speaker her annual report to be laid before the House of Representatives as stipulated by the Constitution-Sections 122 (2) and 122 5 (a) (b) and the FAA Act-Section 29 (2)

Annual Report

Section 13(A)(1) of the PBMA Act states that provided there is nothing contrary contained in any other enactment, the Auditor General may audit the accounts of any public body in the House of Representatives, and if by resolution so directs

Audits of Public Bodies

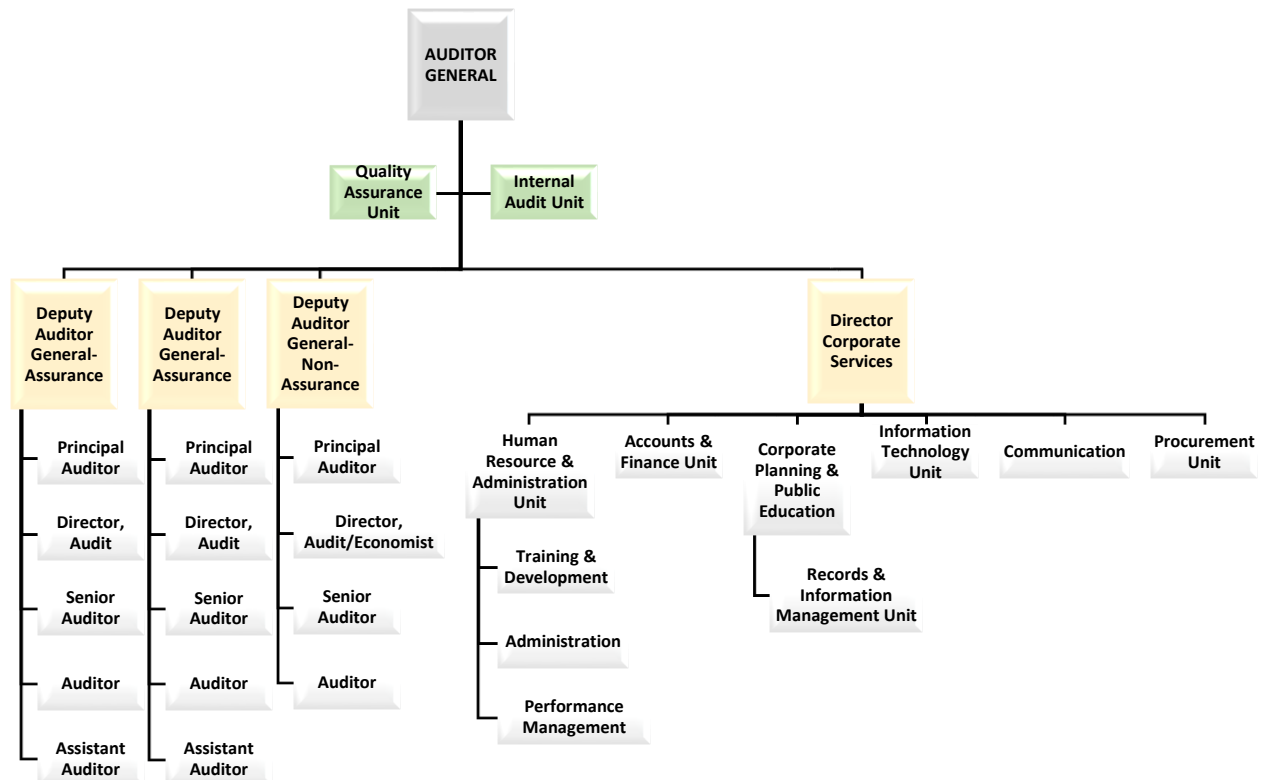
Special Audits

As outlined in Section 29(1) of the FAA Act, the Auditor General has the authority to prepare a special report on any matter incidental to her powers and duties under this act.

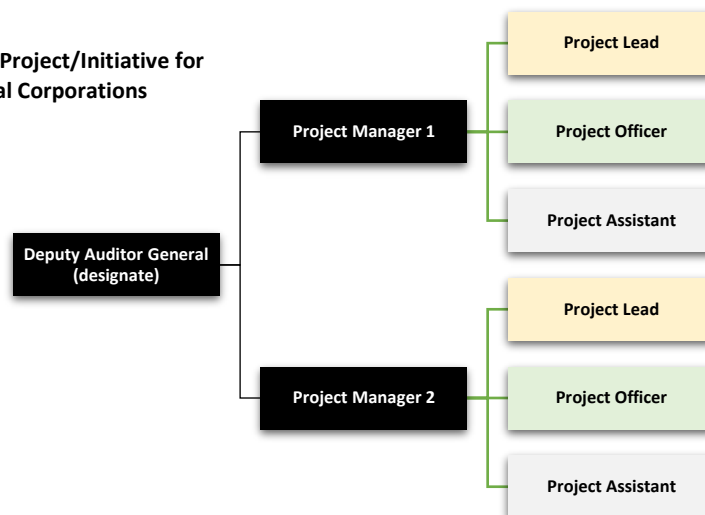
Execution of Non-Assurance Audits

Performance and regulatory audits are conducted in accordance with Section 122 (95) of the Constitution

ORGANIZATIONAL STRUCTURE



Backlog Audit Project/Initiative for Municipal Corporations



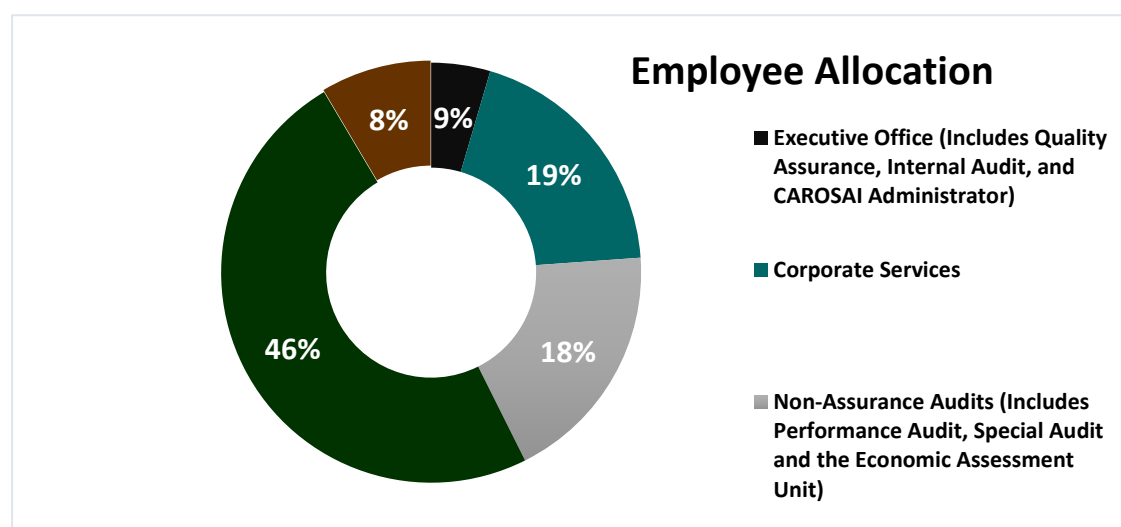
OUR INTERNAL ACCOUNTABILITY AND GOVERNANCE FRAMEWORK

WORKFORCE CAPACITY

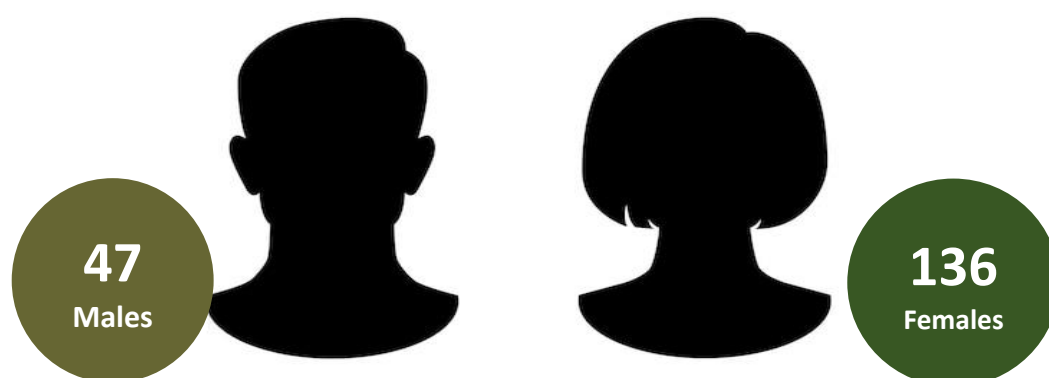
Total Resource Allocation

As of 2023 November 30, the AUGD has a staff complement of 163 representing 76.17% of the Department's establishment. Outside of the established 214 positions, the Department has twenty-two (22) temporary positions associated with the Backlog Audit Project (16 posts, filled), a CAROSAI Administrator position (1 post, filled) and five temporary part-time positions (5 posts, 3 filled), presenting total employment figure of **183**.

CHART 1



Gender Distribution/Breakdown within the Department¹

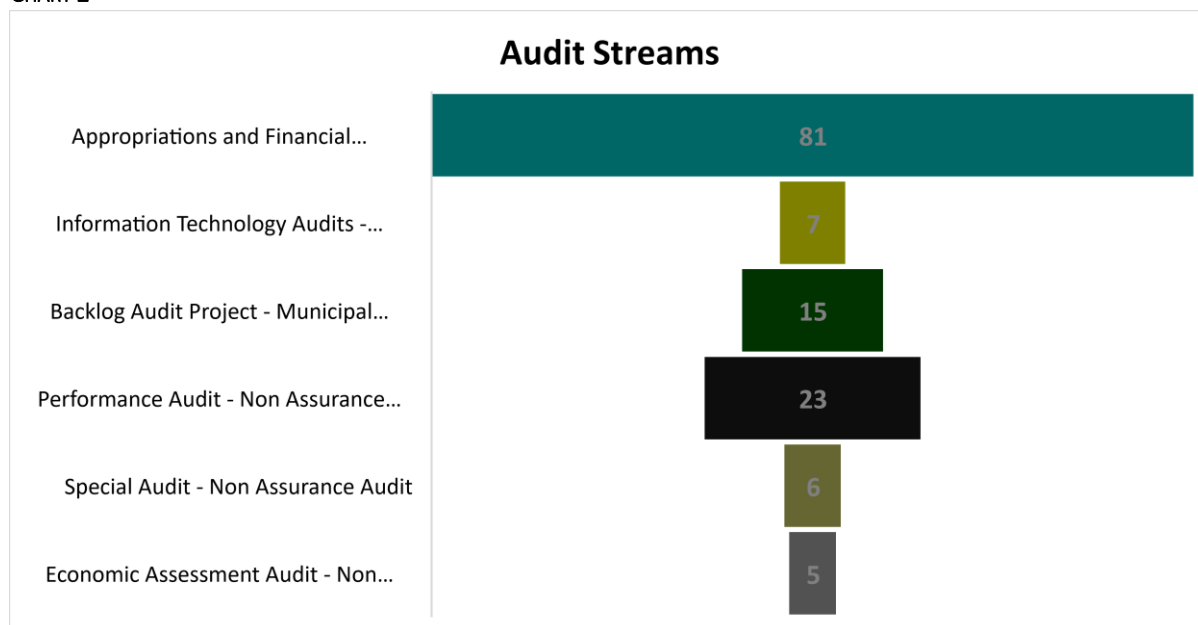


¹ This figure includes officers assigned to the backlog project as well as the CAROSAI administrator post.

Resource Allocation Audit Streams

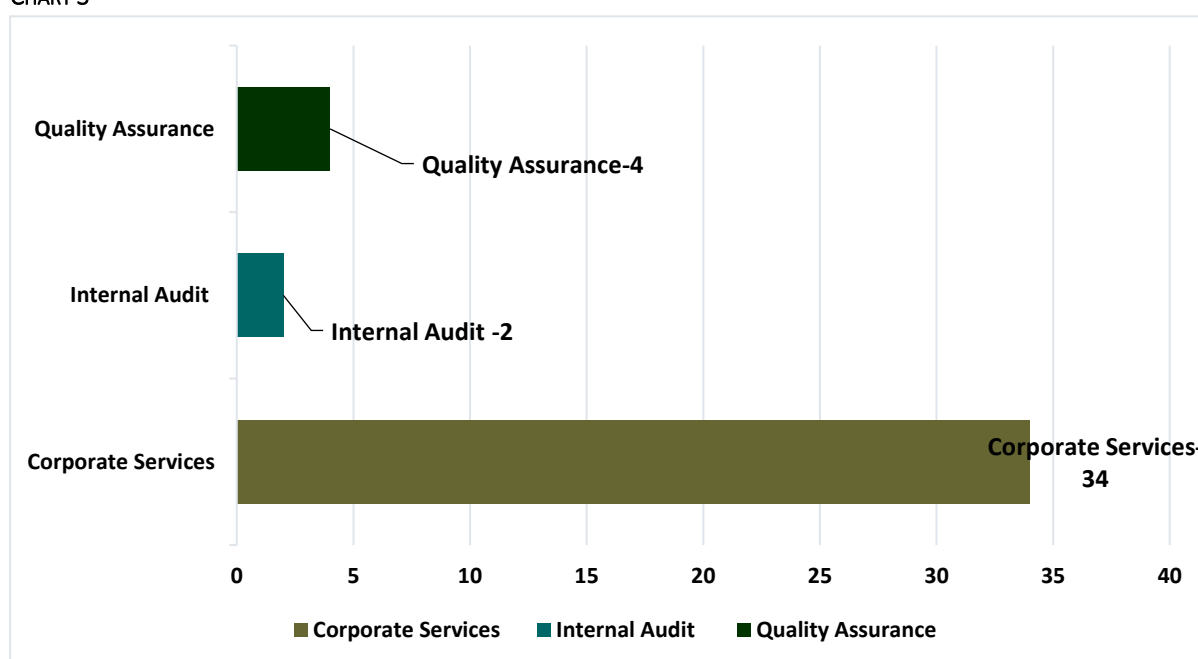
Within the AuGD are two (2) main audit streams, namely the Assurance and Non-Assurance Audit units. In supporting the Auditor General for the execution of audits, the Assurance unit is headed by two (2) Deputy Auditors General and the Non-Assurance unit is led by the Chief Economist.

CHART 2



The remaining 40 staff members are assigned to Corporate Services Division, Internal Audit and Quality Assurance. The Corporate Services Division is headed by the Director of Corporate Services, with Internal Audit and Quality Assurance managed by the Senior Director Quality Assurance.

CHART 3



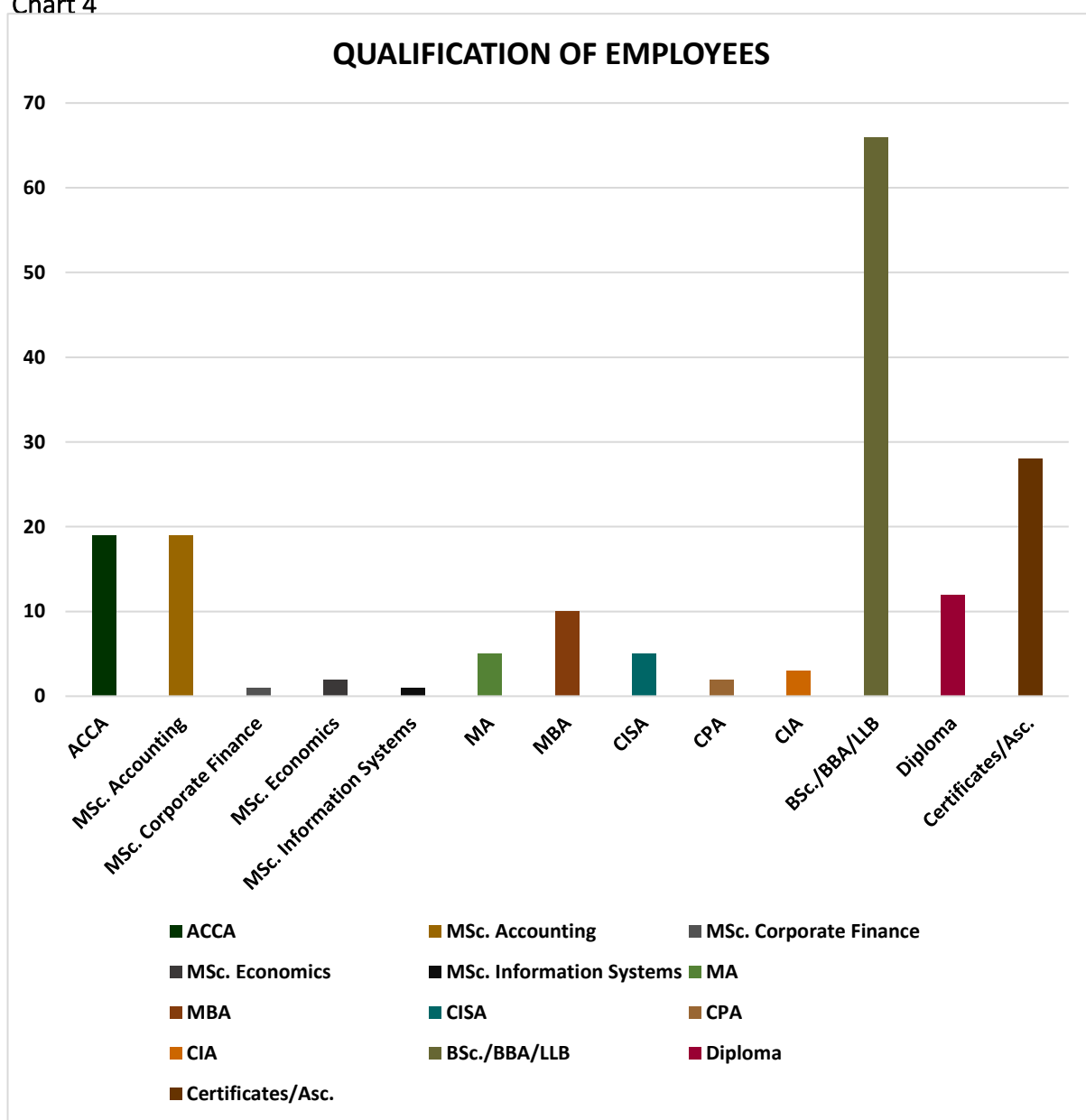
PROFESSIONALIZATION LEVEL OF EMPLOYEES



Without our employees, the realization of our goals would not be possible. In order to maintain our competitive edge, it is imperative that our workforce possess the requisite skills and knowledge, therefore empowering the AuGD to execute its mandate effectively and efficiently on a daily basis.

The chart below lists but is not limited to the qualifications present within the Department.

Chart 4



STRENGTHENING AND DEVELOPING OUR HUMAN CAPITAL

The AuGD recognizes that its employees are the most valuable assets, and as such, has embedded in its DNA a culture centered on capacity building and development to maximize their contributions and boost levels of productivity. Through our Human Resource Strategy and other supporting strategic plans, we have tailored and implemented throughout the year a number of activities aimed at improving the knowledge base and competency levels of our staff via continued education (training), mentorship and coaching, succession planning, skill building programmes and personal/professional development plans. With these initiatives comes improved services, products, and processes, that are beneficial to all our stakeholders and the wider community. Additionally, through our Continuing Professional Development Policy (CPD), we have committed to provide twenty-one (21) hours of training programmes/learning and development activities for each employee.

Living in a world that is technologically driven, over the years, we have incorporated the use of online learning (e-Learning) to provide the best and most accessible learning opportunities for our people, regardless of their location for both in-house and external programmes.

Key Highlights (Collaborative Training Undertaken with our Donor Partners/Agencies)

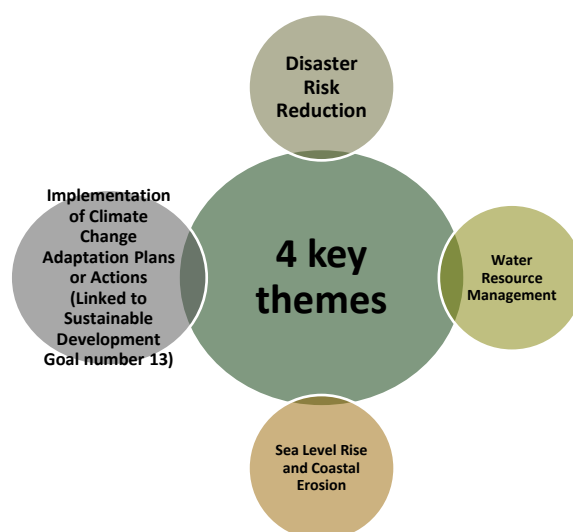
Global Cooperative Audit of Climate Change Adaptation Actions (CCAA)

STATUS: ONGOING



It can be agreed that the world as we know it is facing an unprecedented global climate crisis. Back in 2015, the Paris agreement came into effect with the goal of limiting global warming below 2 degrees Celsius (with a goal of 1.5 degrees Celsius above pre-industrial levels). In response to this, the Intosai Development Initiative (IDI) and the INTOSAI Working Group on Environmental Auditing (WGEA) launched a Global Cooperative Audit of Climate Change Adaptation Actions through the Caribbean Organization of Supreme Audit Institutions-CAROSAI (to which AuGD is a member) for rollout in the region. The AuGD being conscious of the risks that climate change poses to our society and the wider Caribbean, especially Small Island Developing States (SIDs) agreed to participate in this relevant blended learning opportunity. The main objective of the audit is to help Supreme Audit Institutions (SAIs) provide a relevant audit response to climate change to any one of the four thematic areas:

Figure 1



At the end of this collaboration, we will yield the following benefits:

Audits that contribute to improved governance, effectiveness and inclusivity of government climate change adaptation actions

Enhanced capacity to conduct high quality and high impact audits of climate change adaptation actions

This programme that commenced in May 2023 will closeout in the year 2024.

World Bank Group Financial Management and Disbursement Training

STATUS: COMPLETED



The World Bank Group (WBG) and AuGD continue to share a global partnership to promote financial management standards and capacity development initiatives. A key characteristic of good governance, financial management forms an integral part of the development process in all bank-financed operations and country institutional strengthening efforts. This goes hand-in-hand with WBG's goal of ending extreme poverty and boosting shared prosperity in a sustainable way. Some twenty-one (21) members of staff were enrolled in the programme this year (specifically between April to May of 2023). Sound public financial management ensures accountability and efficiency in the management of public resources and is an essential underpinning to improve governance and in fighting corruption.

Intosai Development Initiative-The System of Audit Quality Management (SoAQM) Pilot

STATUS: ONGOING



Based on the nature of our work, building trust, the establishment of credibility and sustaining effectiveness by the production of high-quality audit reports is essential. As outlined by the IDI, quality refers to the degree to which the audits carried out and the reports issued by the Supreme Audit Institutions (SAIs) comply with professional standards and applicable legal and regulatory requirements to help the SAI in fulfilling its mandate to contribute and add value.

To this end, the AuGD's quality assurance team has participated in and are still enrolled in this programme. Upon completion the AuGD will be better equipped to:

Demonstrate a culture that prioritizes quality as reflected in the tone of SAI leadership, system and the behaviour of its people

Have an established Audit Quality Management System appropriate to the needs of the AuGD

The table below highlights the programmes covered over the period December 1, 2022, to November 30, 2023.

Table 1

Audit Enhancing Programmes	Corporate Governance/Soft Skills Programmes	I.T. Security Programmes
<ul style="list-style-type: none"> Effectively Leading and Managing Audits Reviewing Draft Reports and Providing Effective Feedback TeamMate + CaseWare Evidence Collection and Analysis Evidence Gathering – Focusing on Developing the Audit Findings Performance Audit Report Writing Root Cause Analysis 	<ul style="list-style-type: none"> Unleash the Leader in You Government Accounting Level 1 Modules 1&4 Orientation/Onboarding Supplies Management -Modules 2& 3 Strategic Human Resource Management Time /Activity Management Enterprise Risk Management INPRI-Procurement Series (Level 1-4) Organisational Development HRMAJ- “Hiring the Best Fit-The Recruiter’s Choice”. Financial Management and Disbursement Training for World Bank Clients Train the Trainers TtECH-Know Be 4 Cybersecurity 	<ul style="list-style-type: none"> Microsoft 365 Security Administration Introduction to Agile Agile Scrum Foundation

WHAT WE HAVE ACHIEVED

Figure 2

- 1 We have consistently defined and highlighted programmes for training and development that are aligned to the Department's strategy and objectives
- 2 Identified by means of conducting a training needs analysis and gap analysis, performance improvements and appropriate plans to increase productivity levels and staff engagement
- 3 Developed a system to analyze results (via our training impact surveys) of programmes administered and impact/application of knowledge to the job.
- 4 Revamped our succession planning procedures as evidenced through our updated HR strategy

FINANCIAL MANAGEMENT

AUDITOR GENERAL'S DEPARTMENT

APPROPRIATION ACCOUNT 2022/2023 HEAD 05000 – RECURRENT

EXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED ESTIMATES AND EXPENDITURE

Activity 10005 – Direction and Administration

21 Compensation of Employees – Savings \$284,571.79

The savings realised is due to the methodology used to cost the GOJ revised compensation package. The Department used an estimated cost based on a preliminary structure from TIU to be included in the MoFPS Final Supplementary Estimates for 2022-2023. The correct salary alignment was received from TIU, hence the difference (savings).

22 Travel Expenses and Subsistence – Savings \$468,521.70

Marginal variances, as actual expenses for local and overseas travel, was less than budgeted. Some of the planned overseas travel did not materialize.

23 Rental of Property & Machinery – Savings \$760,149.30

Payment for parking spaces and office building is made upon receipt of invoices. The savings resulted from the supplier's non-submission of invoices and bills for rental of parking spaces for the period.

24 Utilities and Communication Services – Savings \$3,405,065.79

The upgrade of the website was less than budgeted, in addition the annual budget for the Closer User Group and the Switchboard was \$7.334M and \$6.224M respectively, which was more than the actual expenditures.

25 Use of Goods and Services – Excess \$3,823,562.46

\$6M was vired (transferred) from **Object 32** to assist with programmes under object 25. In 2021 the Department entered into a contract with Mona School of Business to revise the AuGD's Job Descriptions. The project was expected to be completed by the end of the 2021/2022 financial year. However, the consultancy service was completed and payment of \$1.5M made during the 2022/23 financial period. There was no budgetary provision for this project in 2022/2023.

In addition, the ICT overall expenditure exceeded the budgetary provisions by 30%, that is approximately \$13M more was spent than the budgetary allocation of \$37.9M. The following refers:

The AuGD budgeted for the renewal of fifty-eight (58) CaseWare licenses. However, owing to the acquisition of thirty-four (34) additional licenses in March 2022, we renewed a total of ninety-two (92) licenses in 2022/23.

1. Eighty (80) TeamMate licenses, which was a reduction in the number of licenses held were renewed at a cost of \$4.9M, \$2.2M less than budgeted provision.

2. **200 M365** licenses were renewed at a cost of \$9.6M whereas the estimate was \$7.2M. The difference arose from an increase in the number of licenses required (an additional forty) following the recruitment of new staff (inclusive of backlog audit project employees).
3. And \$160,246 was spent for the renewal of **4 Veritas Backup Licenses**, this expenditure was approximately \$40,000.00 less than estimated.

27 Grants, Contributions & Subsidies-Excess \$170,405.95

During the Financial year two instances of one-off payment was made re Heads of Agreement with Public Sector:

- One-off payment to employees in receipt of salary less than \$1.5M.
- One of payment equivalent to 10% of the annual traveling rates was granted to qualified employees.

Excess resulted as the actual cost was more than budgeted.

29 Awards and Social Assistance – Savings \$862,249.31

Provision was made to refund tuition fees to four (4) members of staff in keeping with the relevant Ministry of Finance Guidelines, three (3) officers utilized this facility. Two (2) officers were eligible for the maximum refund of \$500,000.00.

32 Capital Goods – Savings \$7,256,339.48

The savings arose as we expended available funds during the last quarter of 2021/2022 to acquire laptops that were provided for in the AuGD's 2022/23 budget, which was submitted in November of the preceding period. This action resulted in savings of \$7.4M of which \$6M was vired to Object 25 to assist with other programmes.

Activity 10007 – Regional Organization

27 Grants and Contribution– Savings \$70, 749.80

Provisions were made for subscription payments to be made to two (2) organizations. The savings resulted between the actual foreign exchange rate used and the budgeted exchange rate.

Activity 10280 – Administration of External Audit Services

21 Compensation of Employees – Excess \$16,200,000.00

The excess resulted from the difference in the costing for the revised compensation package which was based on the preliminary structure received from TIU to meet the year-end Supplementary Estimates. The final compensation structure received from TIU differed greatly from the preliminary used for the costing, hence the excess. The excess was funded by a Treasury Deposits Advance.

AUDITOR GENERAL'S DEPARTMENTAPPROPRIATION ACCOUNT 2022/2023
HEAD 05000 – RECURRENTEXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED ESTIMATES AND EXPENDITUREActivity 10280 – Administration of External Audit Services**22 Travel Expenses and Subsistence – Savings \$162,220.00**

Our actual expense for local and overseas travel was less than budgeted.

25 Use of Goods and Services -Savings \$12,000,000.00

The Foreign, Commonwealth and Development Office (FCDO) supported the Forensic Audit Training Programme (Pilot Audit) by grant funding. However, the grant became unavailable during the financial year.

27 Grants, Contributions & Subsidies – Savings \$18,971.76

During the Financial year a one-off payment was made Re Heads of Agreement with Public Sector, the MoFPS made provisions for this payment under Object 28. Payments equivalent to 10% of the annual traveling rates was granted to qualified employees. Savings resulted as the actual cost was less than budgeted.

EXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED AIA AND ACTUAL COLLECTIONSAppropriations-In-Aid (AIA)-Excess \$37,384.19

Budgetary Provision	\$5,000,000.00
Actual Collections	<u>\$5,037,384.10</u>
Excess	\$37,384.19

AIA collected was in excess of the projected receipts and was remitted to the Accountant General for Miscellaneous Revenue. The amounts collected assisted with the renewal of the TEAMMATE licenses.

Chart 5

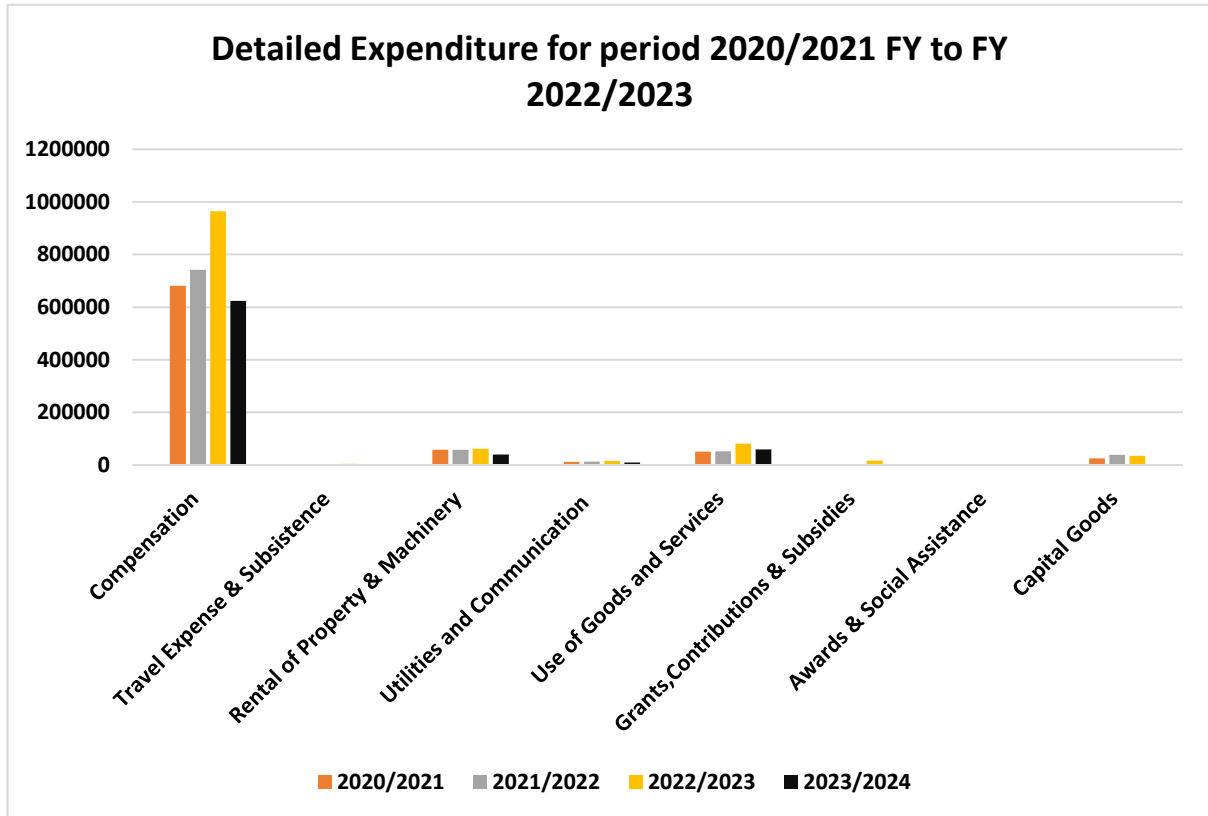


Table 2

DESCRIPTION	2020/2021 FY	2021/2022 FY	2022/2023 FY
Compensation	\$681,042,340.90	\$741,613,069.00	\$965,058,428.21
Travel Expense & Subsistence	\$379,164.94	\$181,419.47	\$4,408,258.30
Rental of Property & Machinery	\$58,210,601.81	\$58,474,575.57	\$61,417,850.70
Utilities and Communication	\$12,162,393.76	\$12,995,052.88	\$14,973,934.21
Use of Goods and Services	\$50,952,815.66	\$51,917,567.58	\$80,703,092.46
Grants, Contributions & Subsidies	\$230,845.65	\$1,154,308.01	\$17,074,684.39
Awards & Social Assistance	\$370,034.85	\$1,985,000.00	\$1,137,750.69
Capital Goods	\$25,745,057.76	\$38,244,832.25	\$34,465,660.52
Totals	\$829,093,255.33	\$906,565,824.76	\$1,179,239,659.48

STAKEHOLDER CONSULTATION AND ENGAGEMENT

Through our stakeholder engagement strategies and techniques, tools, and the utilization of various social media platforms, the AuGD has been able to provide its key stakeholder groups with an avenue for voicing their concerns, leading to the provision of relevant recommendations and identification of current issues experienced in the public sector (specifically our citizens) in a bid to contribute to improvements in how operations are carried out.

Social Media Usage

The AuGD actively leverages Twitter, LinkedIn, and Instagram (newly created) to enhance public access to its tabled audit reports as well as other pertinent information. These platforms facilitate direct communication and engagement with the citizens of Jamaica. Notifications about newly published reports and their corresponding video presentations summarizing key findings and recommendations contained in the said reports are uploaded to our website and social pages.

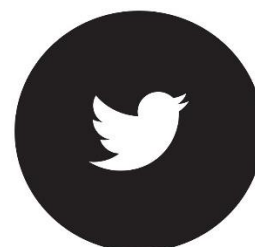
Twitter Engagement

Throughout the year, the AuGD's Twitter page experienced varying levels of user engagement. June witnessed the platform's peak engagement, with an addition of 64 new followers. Impressions for the period in question totalled 15,850.

Notably, audit reports generated significant interest, leading to spikes in activity upon posting.

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.

15,850 impressions



LinkedIn

LinkedIn is a professional networking and development tool utilized by the AuGD for promoting our work and services, specifically our audit reports following their tabling in Parliament. This year, we received 738 impressions, 742 post impressions and currently have almost 1600 followers.

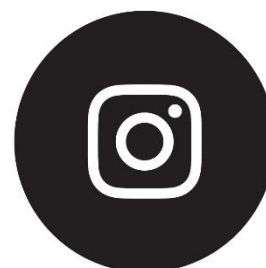
LinkedIn Key Demographic Groups

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

Instagram

To further maximize its outreach, the AuGD created an Instagram page that would incorporate the use of images and videos to effectively highlight the key audit findings and recommendations from reports completed, as well as to educate the public on the role and function of the Auditor General and products/services. The page currently has 94 followers, and strategies are being developed to increase user traffic and social media following in the upcoming financial year.

NEW-94 followers



LEADING BY EXAMPLE - INTERNAL OVERSIGHT

QUALITY ASSURANCE UNIT

THE YEAR IN REVIEW

The Quality Assurance (QA) Unit is responsible for providing the assurance that the standards and methodology 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 continued to improve on the number of reviews conducted when compared with previous periods.

OUR ACHIEVEMENTS

The QAU conducted 22 reviews over the period, seven of which were in progress at the end of the reporting period.

The QA unit participated in the ISO Re-Certification audit process for Quality Management Systems (QMS) conducted by the NCBJ for the AuGD.

Team members participated in various training programmes during the year and are currently participating in the IDI pilot project - System of Audit Quality Management (SoAQM) for SAIs.

THE YEAR AHEAD

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

We will continue to keep abreast of emerging international standards, in order to provide for a more robust unit through the application of improved techniques.

We will continue to assist the AuGD in maintaining its ISO certification in QMS. In addition, all team members are expected to complete their training in the pilot project (SoAQM).

QUALITY ASSURANCE REPORTS

During the period December 2022 to November 2023, the QA unit successfully completed twelve (12) quality assurance reviews and reports. The completed reviews comprised seven assurance audits and five non-assurance audits. Three partial reviews were also conducted on a performance audit of the Ministry of Health and Wellness, the Final Report on the Examination of the Fiscal Policy Paper prepared by the Economic Assessment Unit and the Petrojam Limited Assurance Report, while seven other QA reviews 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 3

Audit Entities/Topics	Audit Type	QAR of Entire Audit Process (✓)
Application Management and Data Automation (AMANDA)	Information Technology	✓
Ministry of Labour and Social Security (MLSS) – National Insurance Fund (NIF) Equity Management	Special	✓
Jamaica Social Investment Fund (JSIF) – Jamaica Disaster Vulnerability Reduction Project (JDVRP)	Financial Statement	✓
Transport Authority (TA)	Special	✓
Jamaica Fire Brigade (JFB)	Performance	✓
Clarendon Alumina Production (CAP)	Performance	✓
Planning Institute of Jamaica (PIOJ)	Financial Statement	✓
National Works Agency (NWA)	Financial Statement	✓
Major Infrastructural Development Projects (MIDP) - Procurement & Contracts Management.	Performance	✓
Ministry of Economic Growth & Job Creation (MEGJC)	Appropriation Accounts	✓
Ministry of National Security (MNS)	Appropriation Accounts	✓
Financial Services Commission (FSC)	Financial Statement	✓
Ministry of Health and Wellness (MOHW) COVID-19 Expenditure	Performance	Partial Review
Examination of the Components of the Fiscal Policy Paper (Final)	Economic Assessment Report	Partial Review
Petro jam Limited - Inventory Impairment and Loan Request	Limited Assurance Report	Partial Review
Ministry of Agriculture & Fisheries (MOAF)	Compliance (In Progress)	✓
Jamaica Information Service (JIS)	Financial Statement (In Progress)	✓
Office of the Services Commission (OSC)	Appropriation Accounts (In Progress)	✓
Financial Services Commission (FSC)	Special (In Progress)	✓
Jamaica National Insurance Scheme (JNIS)	Information Technology (In Progress)	✓
Promoting Community-Based Climate Resilience (PCCR) Project	Financial Statement (In Progress)	✓
Court Administration Division (CAD)	Appropriation Accounts (In Progress)	✓
**Partial review consists of a detailed Quality Assurance Review (QAR) of the audit report to ensure accuracy and consistency and is verified against the supporting evidence in the working papers.		

OUR FINDINGS

Over the years the QA unit has continued to see a reduction in the number of areas identified as non-conformities. Where deficiencies were observed, the relevant QA report along with the appropriate recommendations were submitted for the review and consideration of the Executive Management Committee of the AuGD. Of note, where non-conformities were identified during QA reviews, these were either addressed before the 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 and add value in upholding the Department's Quality Policy, 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).

As the Department strives to maintain the highest standards through the ISO Certification 9001:2015 QMS, the QAU will continue to participate in the ISO audits and assist in maintaining the ISO designation for the Department.

The QA unit remains committed to conducting its reviews in a professional and objective manner and in contributing to the integrity, credibility, and the continued success of our audit office, and in meeting the expectations of our stakeholders.

INTERNAL AUDIT UNIT

The Internal Audit Unit is tasked with examining the Auditor General's Departments financial and administrative operations. This is achieved through the review of the system of internal control, risk management and government processes. The Department was empowered to establish and maintain an IAU through section 34 of the Financial Administration and Audit Act. This mandate is fulfilled through the implementation of this audit plan and unplanned verifications of accounting and human resource related activities requested by the Corporate Services Unit and the MoFPS.

OUR ACHIEVEMENTS

The IAU completed 79 per cent of planned audits for the reporting period ended December 2023.

The IAU was able to cover most of the high risk areas in its Audit Plan

The IAU was trained in Root Cause Analysis

THE YEAR AHEAD

The IAU plans to incorporate General IT Controls review in each area audited.

Improving the operations of the Unit through training in the areas of Government Accounting and Performance Audit

The IAU plans to continue support the Department in maintaining its ISO 9001:2015 Quality Management System certification

INTERNAL AUDIT REPORTS

During the year, the IAU reviewed the Department's financial operations through audits of the Appropriation Accounts, the Monthly Financial Statements and Petty Cash System. The Unit also reviewed and reported on the Department's Fixed Assets Records and Overseas travelling to ensure compliance with the GoJ guidelines. Further reviews of the Department's administrative operations were carried out through audits of the AuGD's Recruitment and Selection activities and Performance Appraisal system to determine if they were meeting their objectives. The IAU continued to complete unplanned verifications and pre-audits requested by the Corporate Services Division and the MoFPS. Outstanding recommendations were followed up quarterly and the status of recommendations tracked.

The IAU led the internal audit of the Department's Quality Management System, which culminated in the Department's ISO 9001:2015 Quality Management System re-certification audit in July 2023. The Unit also monitored the Department's 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 4: Internal Audits Reviews completed/in progress

AUDIT TOPICS
Appropriation Accounts (2022/2023)
Monthly Financial Statements
Records Information Management
Performance Management Appraisal System
Recruitment and Selection
Procurement and Stores Management
Fixed Assets
Petty Cash
Overseas Travelling for the period ended March 31, 2023
Salary Arrears arising from new Public Sector Wage Compensation package
Internal Audit of the Auditor General's Department Quality Management System
Quarterly follow-up on the Implementation Status of Audit Recommendations
Quarterly Contract Awards
Unplanned Audits via the Corporate Services Division <ul style="list-style-type: none"> • 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 • One off Payments in lieu of Motor Vehicle Allowance for the 2021/2022 fiscal year

LOOKING FORWARD

The IAU is committed to improving its operations. In support of that goal the Unit is looking forward to continued development through training and the impact it will have on the Unit's goal to add value to the Department. In recognizing the importance of IT to the Department's operations the IAU has committed to incorporating reviews of general IT controls in each area to be audited.

The IAU has also committed to doing a general review of the IT environment at least annually. The unit will also be conducting audits of the Department's Information Security practices and Business Continuity Plan.

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
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.

Assurance Audits

Financial Statements and Appropriation Accounts

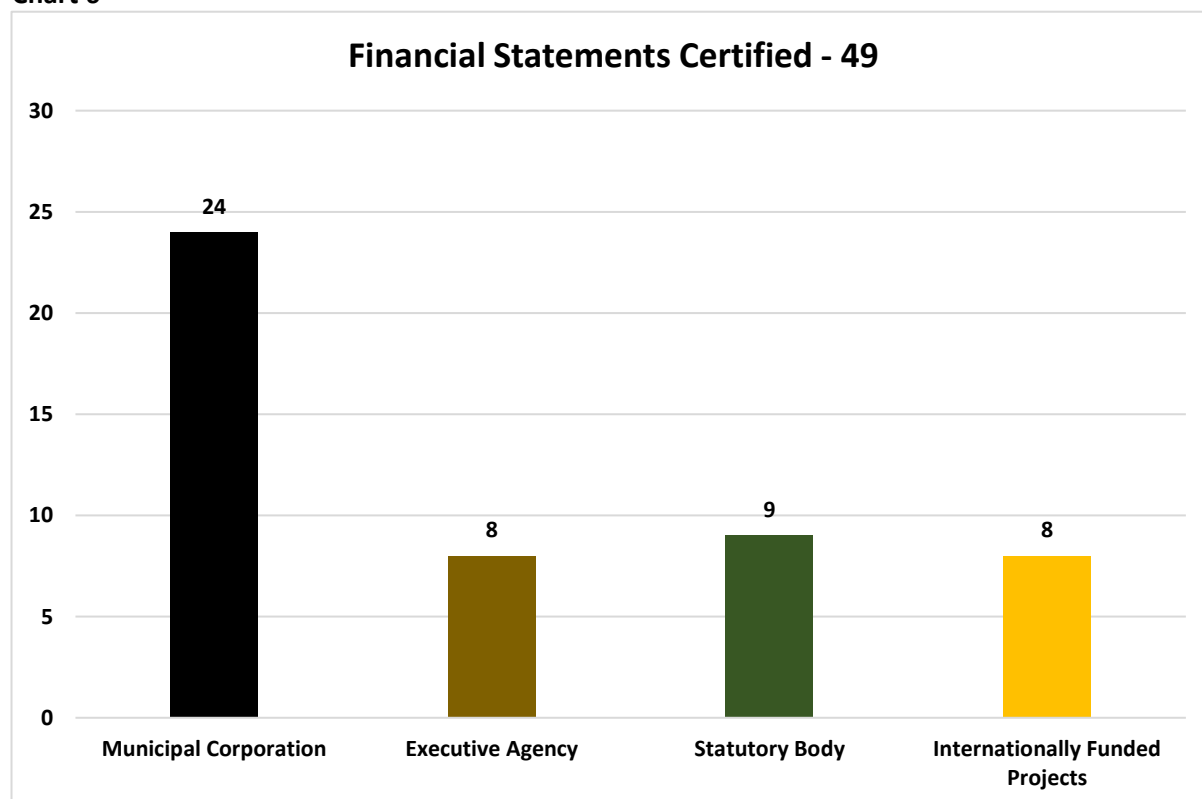
2.1.1. The services provided by the Assurance Unit include the audits of Financial Statements prepared by Municipal Corporations, Statutory Bodies, Executive Agencies, Internationally Funded Projects as well as the annual Appropriation Accounts of Ministries, Departments and Agencies (MDAs). These audits 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.

Performance Highlights

2.1.2. During the period under review, I certified 122 statements comprising 73 Appropriation Accounts and 49 Financial Statements. This represents a marginal increase of approximately 7% over the same period last year.

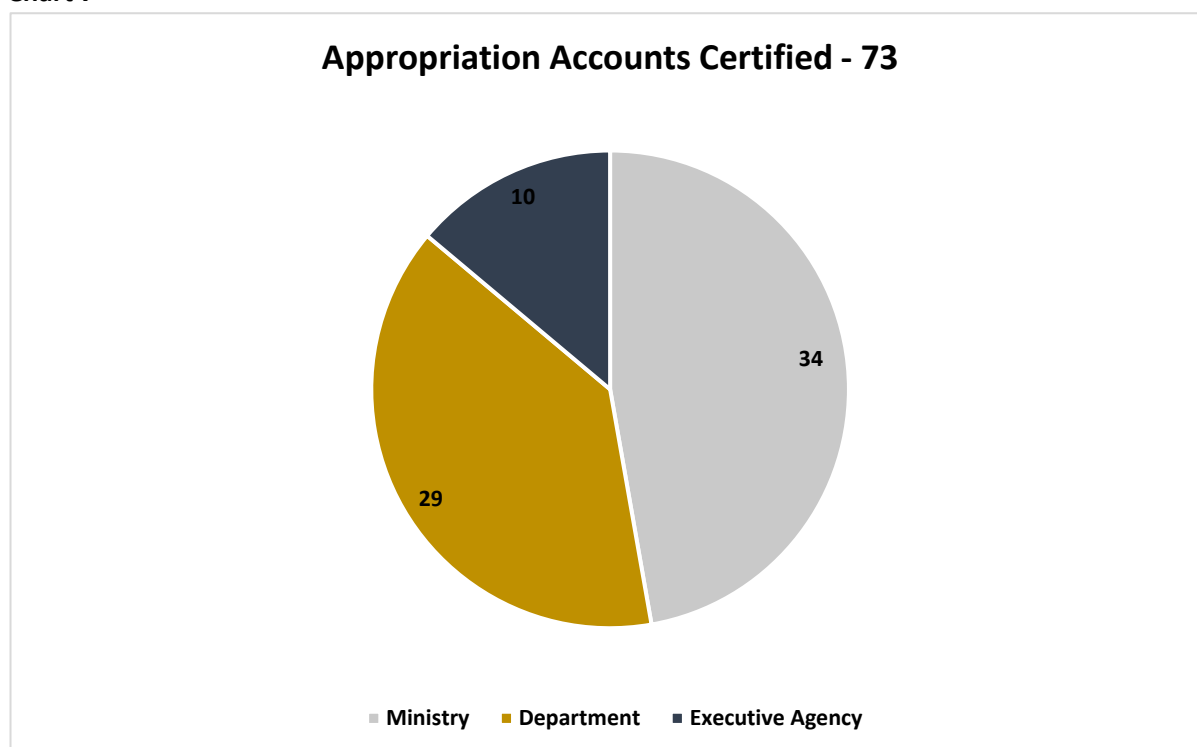
2.1.3. The Financial Statements certified comprised twenty-four for the Municipal Corporations, eight relating to Executive Agencies, nine for Statutory Bodies, and eight statements for Internationally Funded Projects. The Financial Statements for the Executive Agencies and Statutory Bodies were prepared in accordance with International Public Sector Accounting Standards (IPSAS) – accrual basis while the statements for the Internationally Funded Projects were prepared in accordance with Cash Basis IPSAS. The statements for the Municipal Corporations were prepared in accordance with the Parish Councils Act and transitional IPSAS with effect from the 2016/2017 financial year.

Chart 6



2.1.4. The Appropriation Accounts were prepared in accordance with the FAA Act. Of the 73 Appropriation Accounts certified, 34 Accounts were related to a ministry, 29 were related to a department and 10 were related to executive agencies.

Chart 7



The significant findings from the Assurance Audits are included in Section 3.

Verification of Pension Files

Files received: 2601

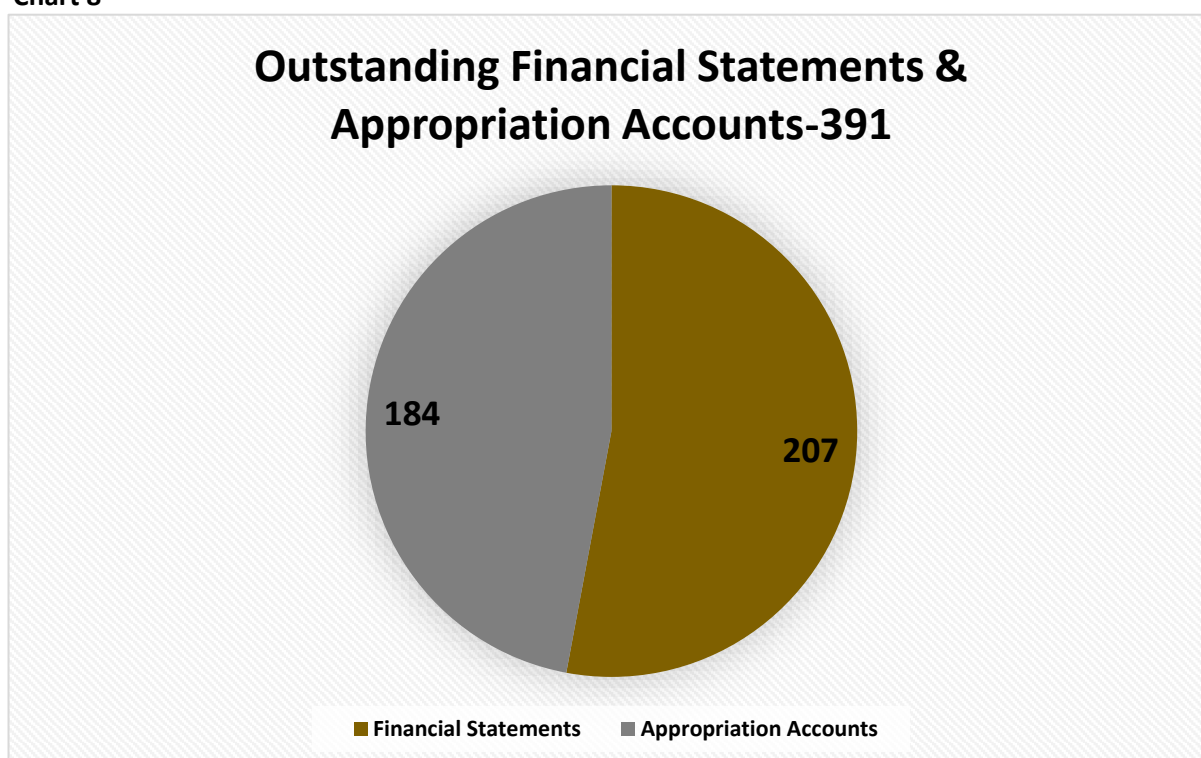
Files reviewed: 2597

WIP: 4

Outstanding Statements

2.1.5. The timely completion of our audits continues to be impacted by the late submission of Financial Statements and Appropriation Accounts, delays by auditees in providing the relevant supporting documents, and inaccurate or incomplete statements. Up to the time of this report, a total of 391 Statements were outstanding spanning financial years 2009/2010 to 2022/2023. Of this number, 184 represent Appropriation Accounts and 207 represent the financial statements of Public Bodies.

Chart 8

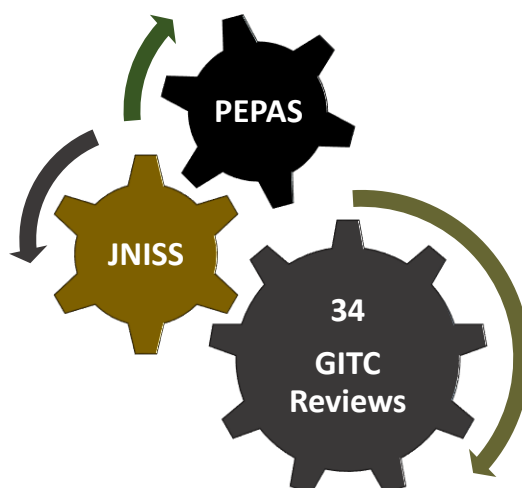


Information Technology Audit Unit

The Year in Review

2.2.1. Over the last year, the Information Technology Audit Unit (ITAU) has concentrated its efforts on supporting the audit of Financial Statements and Appropriation Accounts by evaluating General IT Controls (GITC) of Ministries, Departments and Agencies (MDAs). These reviews are consistent with the requirements of international auditing standards, which now require an auditor to identify and assess IT risks that may lead to material misstatements². As most financial records and government statements are electronically prepared and maintained in computerized environments, the associated risks must be considered by the AuGD in providing its assurance services. Our reviews, therefore, involve gaining an understanding of the MDA's IT environment and evaluating the effectiveness and adequacy of IT controls based on the associated risks.

Figure 3 – ITAU 2023-2024 Targets



2.2.2. The ITAU, between December 2022 and March 2023, assisted with the review of General IT Controls (GITC) of six MDAs and issued four reports highlighting information security deficiencies. We further planned to assist or complete reviews of 34 medium and high-risk MDAs for the 2023/2024 financial year, of which 25 were related to the period April to December 2023. As of 2023 November 30, the ITAU assisted or performed GITC reviews of 20 MDAs relevant to 36 financial years. Of that total, we reviewed 17 GITC templates prepared by the Financial Statements Unit, independently completed GITC reviews of three high-risk entities, conducted controls testing relevant to 25 financial years, and issued 8 related reports.

2.2.3. At the end of this reporting period, GITC reviews of two high-risk entities and information security controls testing of nine medium-risk entities were works in progress. Additionally, the unit is in the reporting phase of the application controls audit of the Jamaica National Insurance Software System (JNISS) and has commenced planning for a similar audit of the Public Employees' Pension Administration System (PEPAS).

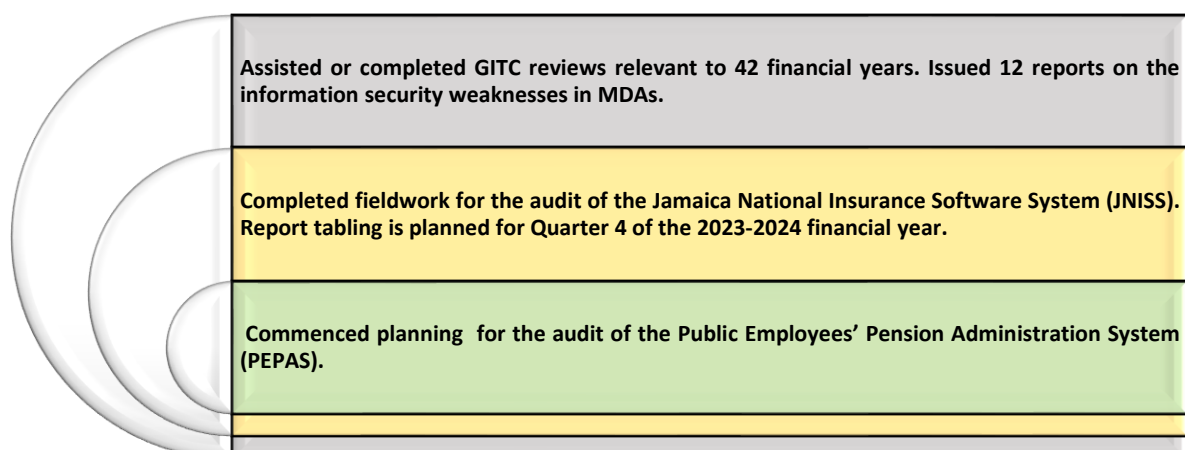
² International Standard on Audit (ISA) 315 (revised 2019) - Identifying and Assessing the Risks of Material Misstatement.

Table 5 – Summary of GITC Reviews conducted between December 2022 and November 2023

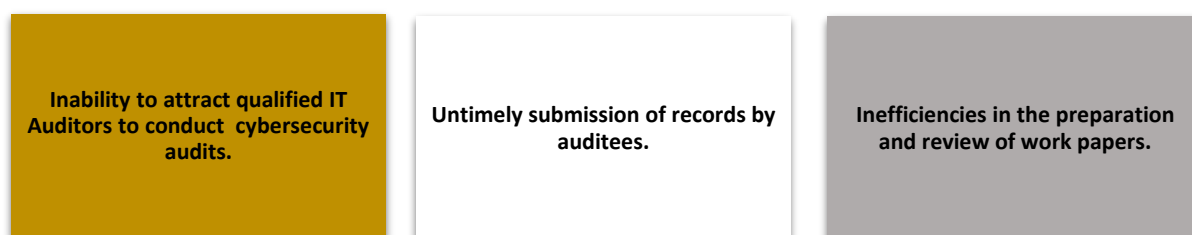
MDA	GITC Reviews (by financial years)	Controls Testing Completed By ITAU
1. Accountant General's Department (AcGD)	5	√
2. Companies Office of Jamaica (COJ)	1	
3. Council of Community Colleges of Jamaica (CCCC)	1	
4. Court Administration Division (CAD)/Judiciary	4	√
5. Firearm Licensing Authority (FLA)	1	√
6. Forestry Department (FOR)	1	
7. Jamaica Customs Agency (JCA)	1	√
8. Jamaica Information Service (JIS)	1	
9. Jamaica Intellectual Property Office (JIPO)	2	
10. Jamaica Social Investment Fund (JSIF)	1	
11. Ministry of Finance and the Public Service (MoFPS)	5	√
12. Ministry of Local Government and Community Development (MLGCD)	1	
13. Ministry of National Security (MNS)	1	
14. Ministry of Transport and Mining (MTM)	1	
15. National Council on Drug Abuse (NCDA)	2	√
16. National Works Agency (NWA)	1	√
17. Office of the Governor General & Staff	5	√
18. Office of the Cabinet	1	
19. Office of the Prime Minister (OPM)	1	
20. Office of the Services Commission (OSC)	1	
21. Overseas Examination Council (OEC)	1	
22. Passport Immigration and Citizenship Agency (PICA)	1	√
23. Public Procurement Commission (PPC)	1	
24. Registrar General's Department (RGD)	1	√
25. Tax Administration Jamaica (TAJ)	1	√
TOTAL	42	

2.2.4. Unfortunately, the Department was unsuccessful in its attempts to fill the Director and Senior Auditor positions over the last year. We will, however, continue our efforts to build current team capacity through varying development initiatives.

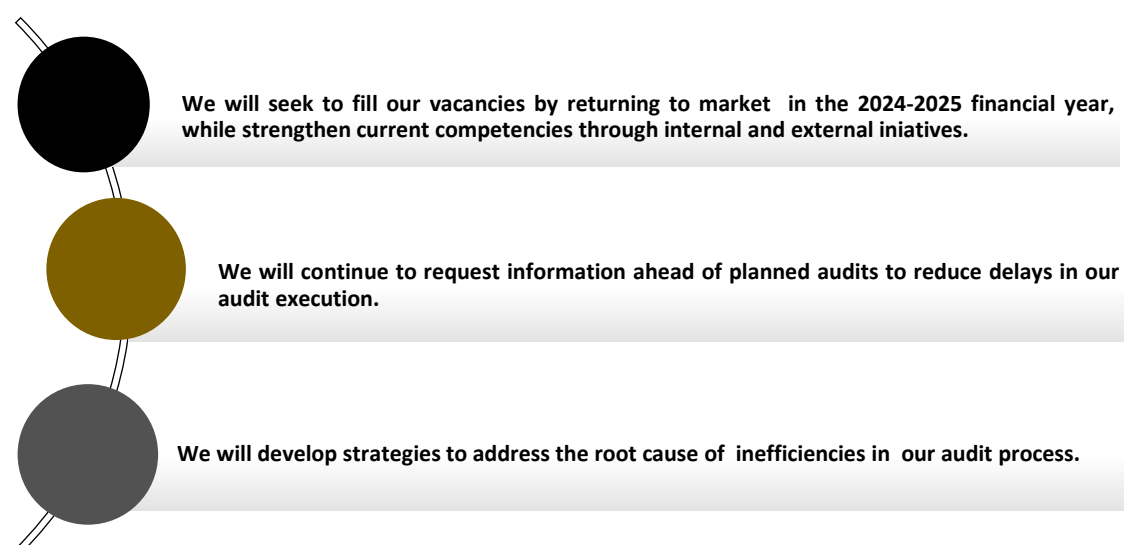
Figure 4 - ITAU Achievements as at 2023 November 30



Our Challenges



The Year Ahead



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

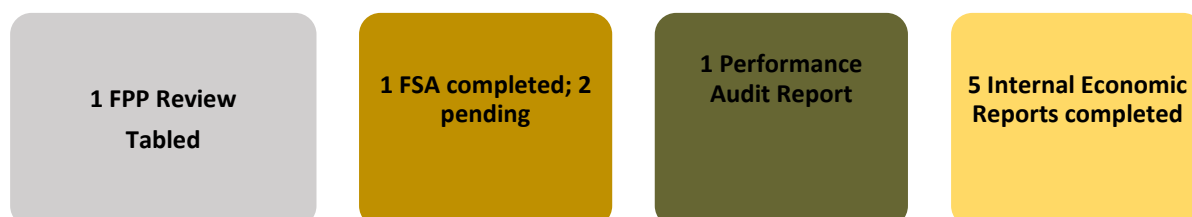
2.3.1. The Economic Assessment Unit (EAU) continued to support the Auditor General's responsibilities under the Financial Administration and Audit (FAA) Act and the Constitution during 2023. With the passing of the Independent Fiscal Commission Act, 2020, establishing the Independent Fiscal Commission, some of the Auditor General's responsibilities under the FAA Act were removed. These were the requirements to review and report to Parliament on the assumptions and conventions underlying the preparation of the Fiscal Policy Paper (FPP), as specified in 48D of the FAA Act; provide reasons for any deviations pursuant to 48 (B) (ii) of the FAA Act and monitor adherence to the Fiscal Responsibility Framework (FRF). In that regard, the last report prepared under the section 48 (B) of the FAA Act was submitted to Parliament on February 28, 2023, within the two-week deadline after the Government tabled its FPP February 14, 2023.

2.3.2. The Auditor General's responsibilities relating to the FRF that were retained, were to assess public-private partnerships (PPPs) for minimal contingent liability, verify that there are public bodies that do not form part of the specified public sector, and identify those bodies (if any) that in the preceding financial year formed part of the specified public sector. Accordingly, in accordance with these responsibilities and those relevant to the Constitution, the Economic Assessment Unit (EAU) also continued to undertake financial statements analyses (FSA) of selected public bodies, namely, the National Water Commission (NWC), Airport Authority of Jamaica (AAJ) and Jamaica Civil Aviation Authority (JCAA). However, at the time of this annual report, the EAU was still awaiting FY 2021/22 financial statements for NWC and AAJ, whereas all required financial statements were received for JCAA and the report was near completion.

2.3.3. During the year, EAU also completed a performance audit of Clarendon Alumina Production, and the executive summary is included in this report. Additionally, the EAU carried out activities related to the conduct of audits of budget credibility, which is a staple of its work programme. Of note, a budget is considered credible when the government implements its revenue and spending plans as approved by the legislature. A budget that is not credible can compromise the integrity of public funds and increase the risk of corruption. Budget deviations can adversely affect the achievement of Government's policy objectives and service delivery. Through independent audits of the public accounts, the AuGD aims to identify the risks to budget credibility so that these can be addressed, thereby contributing to the building of trust in public institutions.

Economic Assessment Unit (EAU)

Our Achievements

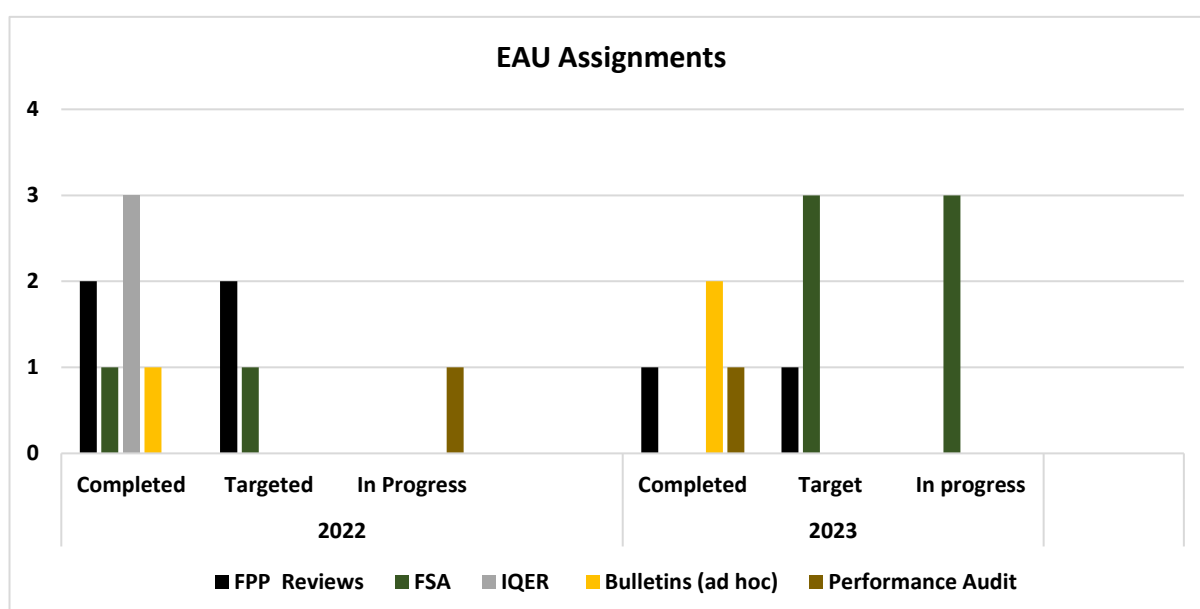


Economic Assessments During 2023

Table 6

Reports	Completion	Comments
Review of February Fiscal Policy Paper FY2023-24 https://auditorgeneral.gov.jm/independent-auditors-report-examination-of-the-components-of-the-fiscal-policy-paper-fy2023-24-february-2023/	28 February 2022	Tabled within period specified by the FAA Act.
FSAs: NWC; AAJ; JCAA	Reports outstanding	No Financial Statements for FY2021/22 for NWA and AAJ.
Performance Audit Report of CAP	See AuGD 2023 Annual Report	Completed. Executive Summary included in this report.

Chart 9



Internal Reports

2.3.4. During calendar year 2023, the EAU continued to inform staff on relevant economic developments through the preparation of its internal quarterly reports on fiscal performance as well as timely economic bulletins which shared information on the IMF's Precautionary Liquidity Line (PLL) and Resilience and Sustainability Facility (RSF) to Jamaica. A subsequent bulletin was shared, which highlighted the IMF's first review of Jamaica's performance under these facilities. During the review period, the EAU also carried out preliminary research in preparation for audits to assess the credibility of Government budgets while contributing to the preparation of INTOSAI/IDI's Handbook for audits of budget credibility.

Quality

2.3.5. The EAU conducted its review of the February 2023 Fiscal Policy Paper and analyses of selected public bodies' financial statements, 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 Engagements (ISAE) 3000. The Department's Quality Assurance Unit also reviewed our reports to confirm adherence to the required quality standards.

Timeliness

2.3.6. Whereas the EAU met the statutory deadline for the submission of the Auditor General's Review of the February 2023 FPP, the achievement of deadlines for the AAJ and NWC financial statement analyses were hindered by the unavailability of relevant financial statements. Also, the timely completion of the CAP performance audit report was affected by delays in management's responses to the draft report and activities related to the managing partner's sale of its shares in Jamalco.

Looking Forward

2.3.7. For 2024 and beyond, the EAU's workplan will continue to focus on budget credibility. For 2024, plans include a collaborative audit of budget credibility, which will be supported by training from INTOSAI/IDI. At the same time, the Unit will continue its review of user-pays PPPs for minimal contingent liability, as well as continue its use of a risk-based approach to select public bodies for financial statement assessments. Additionally, the Unit will continue to provide support to the Corporate Services Division (via the Accounts unit) in relation to macro-fiscal assessment for budgetary preparation. The Unit will also continue its programme to enhance the AuGD staff's understanding of economic issues and concepts.

Special Audits Unit (SAU)

The year in review

2.4.1. During calendar year 2023, the Special Audits Unit (SAU) continued to select its audits using a high value risk-based approach given the large number of requests for probes into the use of public resources. The criteria for the selection of special audits are drawn primarily from the FAA Act Regulations and Instructions; PBMA Act; Protected Disclosure Act; Government Staff Orders for the Public Service, Circulars and Guidelines, as well as entity-specific legislation.

2.4.2. The primary source of potential audits continued to be information from whistleblowers and other stakeholders to verify allegations of questionable activities and transactions by MDAs. Of note, the Unit reviewed all complaints to determine whether these were within the remit of the AuGD or should be redirected to other agencies.

Our Achievements



Status of Special Audit Reports

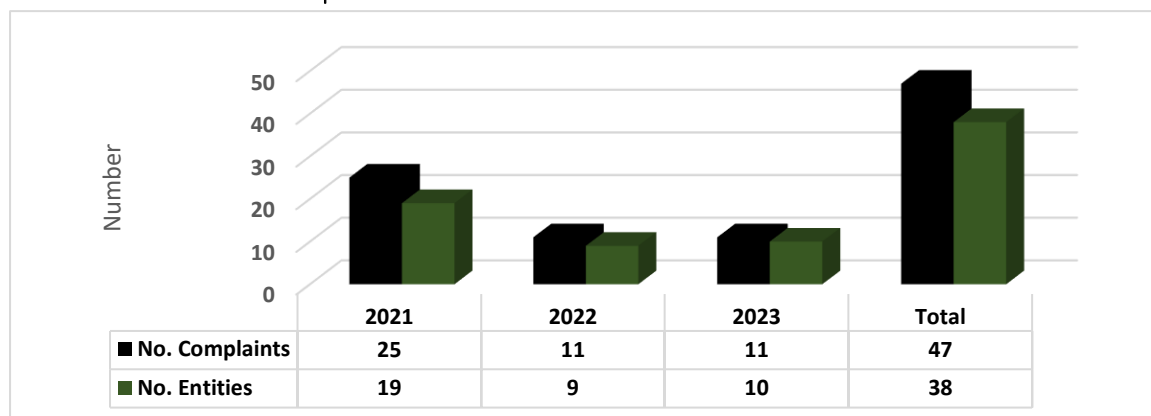
Table 7

AUDITS	COMPLETED AUDITS	TABLING
Passport, Immigration and Citizenship Agency: Human Resource Management practices https://auditorgeneral.gov.jm/auditor-generals-department-special-audit-report-passport-immigration-citizenship-agency-hr-practices/	Submitted to Parliament June 2023	Tabled July 2023
Transport Authority: Human Resources, Administration and Procurement Practices https://auditorgeneral.gov.jm/special-audit-report-transport-authority/	Submitted to Parliament June 2023	Tabled September 2023
Petrojam: Limited Assurance Audit	Submitted for tabling	December 2023
Financial Services Commission- Human Resources and Procurement Procedures	Submitted for tabling	December 2023
Tax Administration Jamaica: Leasing Arrangements	Report being finalised	

Whistleblower Activity

2.4.3. The AuGD has made available to members of the public, various avenues for reporting allegations of fraud, misappropriation of funds allocated to Ministries, Departments and Agencies and the failure to comply with the Government of Jamaica's laws, policies, and procedures.

Chart 10: Whistleblower Complaints: 2021-2023



2.4.4. Whistleblower complaints are submitted via email, telephone, or the Department's website. Generally, many complaints received are anonymous, while a few have included the complainant's name. In some instances, the same complaint was submitted by the same named whistleblower through more than one channel. In other instances, more than one complaint was received for the same entity. In 2023, duplicate complaints were particularly evident after the whistleblower feature on the AuGD website was disabled to facilitate an upgrade. For calendar year 2023, the AuGD received a total of 11 whistleblower complaints. Members of the public may also submit complaints under the Protected Disclosures Act (2011). In 2023, the AuGD received two complaints under the Protected Disclosures Act compared to one complaint in 2022.

The Whistleblower Complaint Assessment Process

2.4.5. All whistleblower complaints received are logged in a database. Thereafter, where complaints relate to a private sector entity, these are not considered for further assessment and if a contact is provided, the complainant is advised to redirect the complaint to an appropriate entity. For public sector related complaints, these are separated into two major groups, those that require action by an external agency and those to be addressed internally. Thereafter, the audit team conducts a preliminary assessment to determine, in conjunction with the Auditor General, the appropriate actions to be taken.

Status of complaints received from whistleblowers in relation to entities

Table 8

	2021	2022	2023	Total
Referred Internally	6	2	1	9
Referred Externally	2	2	1	5
Awaiting Assessment	8	0	5	13
Audited/WIP	2	3	2	7
Beyond Scope	1	2	1	4
Total	19	9	10	38

Special Audit Reports in 2023

Passport, Immigration and Citizen Agency: Human Resource Management Practices

2.4.6. The Special Audit sought to determine the veracity of allegations that the basis on which employees of the Passport, Immigration and Citizen Agency (PICA) are hired, appointed, promoted and selected for professional courses is not fair and transparent. The audit also sought to assess whether there were breaches of the Government Guidelines or PICA's HR policies and procedures.

Major Findings

2.4.7. Whereas we saw that the appointments of three senior staff was made without competition, this accorded with the Accountability Agreement between the CEO and the Public Service Commission and Public Service Regulation (1961) Guidelines. We also saw evidence that notice was given to staff of the Agency's intention to appoint the officers, as well as their right to appeal.

2.4.8. The interview process for senior managers was also assessed to determine fairness and transparency. From the sample of senior managers selected for this exercise, we found no anomalies in the interview process and the officers appointed scored the highest amongst the persons interviewed for the positions. Based on our review and assessment, all senior management staff met or exceeded the required minimum qualification for the respective posts at the time they were appointed.

2.4.9. A review of the report of a recently concluded audit conducted by the Office of the Services Commission (OSC) revealed that the training selection process was fair and transparent. Additionally, the OSC conducted a survey to gauge staff opinion regarding the training selection process, and the vast majority of the staff indicated that they were of the view that the process was fair and transparent. Our assessment was consistent with the findings of the OSC. Therefore, based on the evidence obtained during this preliminary assessment, the allegations regarding the absence of transparency in hiring, appointing, promoting and selecting training courses were not supported.

Transport Authority: Human Resources Administration and Procurement Practices

2.4.10. Based on stakeholder allegations regarding malpractice in Human Resources and Administration as well as procurement and operational areas, a special audit was conducted to assess whether there were breaches in the Authority's Human Resources and Administration policies and procedures as well as the GOJ guidelines at the Transport Authority.

Major Findings

2.4.11. Our audit found that in March 2020, the Transport Authority made a payment of approximately \$11.5 million to a contract officer who was purportedly terminated. The termination letter did not set out the reason for separation. The same officer was reappointed by the Transport Authority approximately one year later in a higher post to act as Managing Director. We could not determine the

reason behind the termination of the officer on the basis that his assignment at JUTCL, another public body, was converted to a permanent appointment the day following his separation.

2.4.12. We found that the Board took a decision at a meeting held on November 24, 2020 to temporarily appoint the same officer for a period of 90 days, after which a competitive process should have been used to fill the position. However, we found that the officer was engaged for a period of three years, effective December 1, 2020, with a remuneration of \$8.4 million.

2.4.13. Proper justification was not provided by the Transport Authority to support the payment of \$7.3 million in May 2021 to the current Acting General Manager - Human Resources and Administration (CAGM-HR&A). Even though these payments were rejected by the previous supervisors who were no longer at the Transport Authority, the Managing Director approved these payments shortly after taking up office. Transport Authority's HR Policy provides that special allowance shall be paid when an employee is assigned additional duties along with those of his/her substantive position; the HR policy requires that the arrangement and related compensation should be agreed upon before the commencement of the assignment(s). We saw no evidence of compliance with the policy.

2.4.14. Another allegation surrounded the payment of salary to a former employee nine months after separation. We found no evidence to substantiate the allegation, nor was there evidence of an unapproved contractor or an Area Supervisor being awarded contracts to repair coaster buses owned by the Authority. Regarding the allegation of regular retreats at hotels, though we found evidence of expenditure totalling more than JA\$11 million on hotel accommodation over a 15-month period, the expenditures were in keeping with the GOJ guidelines and the FAA Act.

Recommendation

2.4.15. In keeping with Section 20 of the FAA Act, the Authority should seek to recover the improper payment of approximately \$11.5 million paid in March 2020 to the Managing Director. The Authority should review the structure and internal control mechanism regarding the payment of special allowances and project premiums on the basis that the HR policy was breached, with a view to recovery.

Financial Services Commission (FSC)- Human Resources and Procurement Procedures

2.4.16. The audit was conducted to determine the veracity of stakeholder allegations of malpractices in FSC's human resource management and procurement practices.

2.4.17. Among the allegations was that posts were being created without the approval of the Ministry of Finance and the Public Service (MoFPS). We found that 71 positions costing \$363.3 million per annum (including emoluments and allowances) were not on the Ministry's "List of Established Posts". However, we found no evidence of intention to circumvent Government policy. The MoFPS indicated that section 4(3) and section 7 of the FSC Act, authorise the FSC to take such actions.

2.4.18. It was also alleged that vacancies were filled without being advertised. We observed instances where officers were either employed or promoted without the positions being advertised or

interviewed. However, this practice accorded with the Public Service Regulations (3.1.16) but was not explicitly stated in FSC's Human Resource Management Manual. Regarding the allegation that friends and related persons were being placed in positions for which they were not qualified, we saw no evidence to substantiate this claim.

2.4.19. Another allegation levied against the FSC was the frequent overseas trips by senior officials disguised as official FSC business. We saw no instance where the travel was not related to the respective officer's work at the FSC and further, email correspondence corroborated that the travels were related to the official business of the FSC.

2.4.20. The audit also found that FSC did not demonstrate proper fiduciary responsibility when it accepted liability for the payment of \$4.76 million in the statutory obligations of a former Executive Director (ED). This was in a context where FSC did not withhold statutory payments of \$4.76 million from separation payments of \$11.1 million to the former ED but, as instructed by the Board Chairman, opted to classify the \$4.76 million as ex-gratia payments. The FSC also paid the ED an amount of US\$1,000 on the instruction of the chairman, for which there was no evidence that both payments were brought to the attention of the Board.

2.4.21. A former ED also engaged a consultant for the period February 2015 through to September 2015, whereby FSC paid US\$28,000.00, although there were no terms of reference in place to govern payments. We saw no documentation indicating the nature of the services to be provided, as required by the GOJ Procurement Guidelines. The FSC did not provide a response to this finding.

Recommendation

2.4.22. The FSC should seek to resolve with the Ministry of Finance and the Public Service outstanding matters related to its establishment and recruitment practices as well as seek to recover the overpayment of \$4.76 million in statutory obligations.

Quantity

2.4.23. During calendar year 2023, in response to allegations from stakeholders, the SAU conducted five special audits including a limited assurance audit to verify Petrojam's responses to nine questions posed by member of Parliament, Mr Julian Robinson. Four audit reports were completed in 2023, of which two were tabled and two submitted for tabling in December 2023. The fifth audit is being finalised based on receipt of the final management response to the draft report.

Timeliness

2.4.24. The timing of our audit reports was largely affected by delays in responses from the entities' which in some instances, were related to their consultations regarding the application of relevant legislation and Government of Jamaica guidelines.

Looking Forward

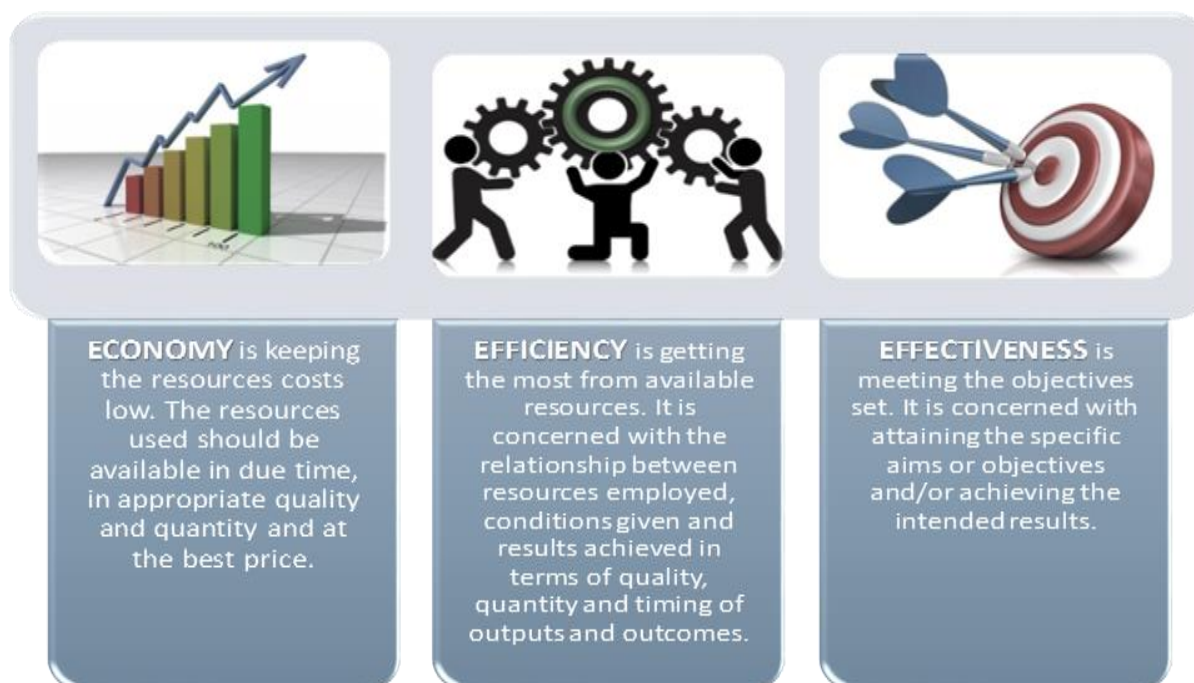
2.4.25. We will continue to pursue opportunities for collaborative audits, and to further strengthen our data analytic and forensic auditing skills, while seeking to increase the physical capacity of the Special Audits Unit.

The Performance Audit Unit (PAU)

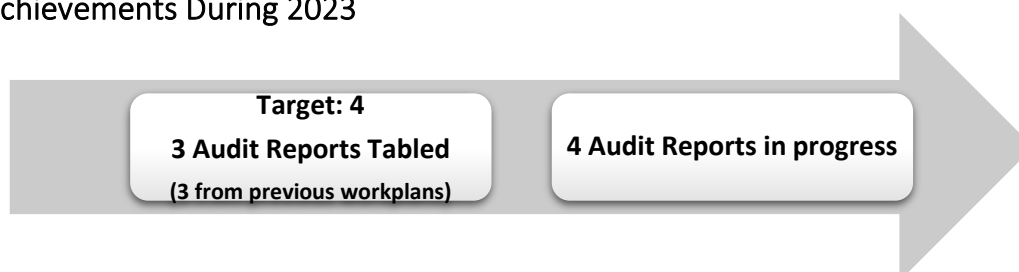
The year in review

2.5.1. During calendar year 2023, the audit plan of the Performance Audit Unit (PAU) continued to support the Auditor General Department's (AuGD) strategic and operational objectives. Our audits 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).

2.5.2. Our performance audits, which are independent examinations of the programs, operations and management systems of Ministries, Department and Agencies (MDAs) sought to determine whether the selected entities were achieving economy, efficiency, and effectiveness in the employment of available resources. We continued to select audits using a risk-based thematic approach while considering feedback from all our stakeholders to enhance the impact of audit reports. The aim of our audits is to strengthen the accountability process, promote transparency, and make recommendations to improve public sector performance in the interest of citizens of Jamaica.



Our Achievements During 2023



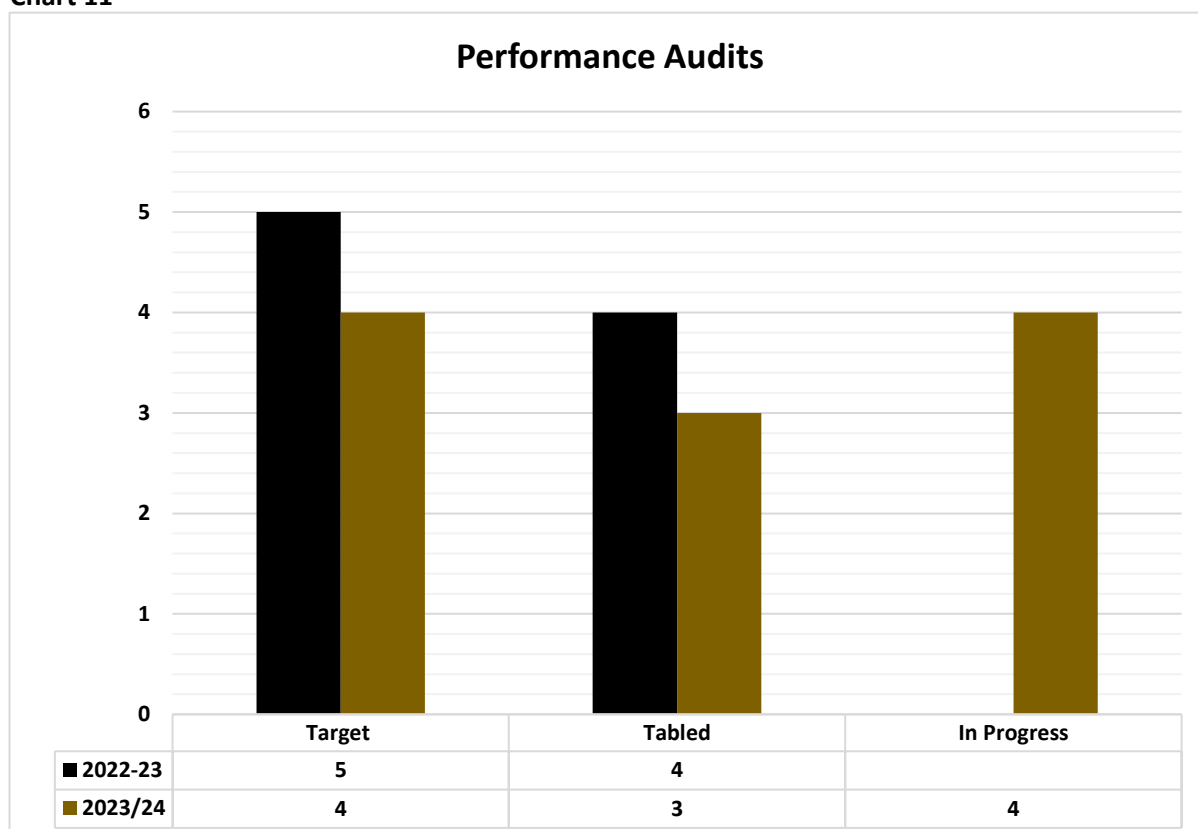
Performance Audit Reports

2.5.3. The 2023-24 workplan of the Performance Audit Unit, which covered several MDAs, focussed on various study topics including Government Social Benefits Programmes, restructuring of public sector compensation, disaster management and climate change. Among the audits selected, were a cross-cutting audit and a cooperative audit, supported by the INTOSAI Development Initiative which also provided extensive training in the area. Notably, to facilitate the INTOSAI audit, given staff constraints, we decided to suspend the Human Resource Management Audit of the Jamaica Constabulary Force that was at the planning stage. Additionally, the preliminary planning for the Integrated Water Resource Management Audit was terminated as the areas under consideration were the subject of an external audit for which recommendations are being implemented. Accordingly, this audit was replaced by the audit of Government Social Benefits Programmes.

Quantity

2.5.4. The Performance Audit Unit completed three audits during calendar year 2023, with two audit reports tabled in March 2023 and the other, which was submitted in June 2023, was tabled in September 2023. Notably, two audits of the audits tabled in 2023, were brought over from the 2022-23 and 2021 –22 work plans, respectively. Four new performance audits were approved for the 2023-24 work plan and were in progress at the end of 2023, including the Global Cooperative audit of Climate Change Adaptation Actions which is expected to be completed during the 2024-25 work programme.

Chart 11



Audit Coverage

Table 9

Audit	Audit Plan	Status	Tabled	Expected Date for Tabling
Jamaica Fire Brigade -Management of Fire Prevention Activities https://auditorgeneral.gov.jm/wp-content/uploads/2022/10/Performance-Audit-Report-Jamaica-Fire-Brigade.pdf	2022-23	Submitted to Parliament March 2023	March 2023	N/A
Strong & Resilient National Public Health Systems (International Organisation of Supreme Audit Institutions Collaborative Cross-Cutting Audit) https://auditorgeneral.gov.jm/wp-content/uploads/2023/05/Performance-Audit-Report-MoHW.pdf	2020-22	Submitted to Parliament March 2023	March 2023	N/A
NWA Managing the Main Road Network https://auditorgeneral.gov.jm/wp-content/uploads/2023/09/Performance-Audit-Report-National-Works-Agency.pdf	2020-21	Submitted to Parliament June 2023	September 2023	N/A
Public Sector Compensation Review Project (CRP)	2023-24	In progress	--	1 st Quarter (April-June 2024)
Office of Disaster Preparedness and Emergency Management	2023-24	In progress	--	1 st Quarter (April-June 2024)
Managing Government's Social Benefit (cross cutting)	2023-24	In Progress	--	4 th Quarter (January-March 2024)
Global Cooperative Audit of Climate Change Adaptation Actions	2023-25	In Progress	--	1 st Quarter (April-June 2024)

Performance Audits Reports in 2023

Jamaica Fire Brigade: Management of Fire Prevention Activities

2.5.5. The performance audit sought to assess the status of implementation of recommendations made in the 2014 performance audit report and to determine whether the JFB was managing its firefighting and fire prevention activities effectively and whether appropriate controls were in place to achieve the JFB's strategic objectives.

Major Findings

2.5.6. JFB partially implemented three of four recommendations made in our 2014 performance audit report. JFB established internal performance standards for response times but did not periodically compare performance against the standards. JFB is yet to develop an information system to manage and monitor its fleet. Follow-up inspections were conducted for only 10 per cent of the buildings JFB identified as non-conforming with fire safety standards, which undermined the effectiveness of JFB's enforcement activities.

2.5.7. JFB fully implemented six of 15 recommendations from its latest National Fire and Rescue Cover (2019) aimed at improving JFB's effectiveness in fighting fires and responding to emergencies. These included increased use of Information Technology, including the implementation of Aeronautical Reconnaissance Coverage Geographic Information System (ArcGIS) for hydrant mapping, the Bush Fire Warning Index.

2.5.8. Four recommendations not implemented included the establishment of Fire Investigation and Fire Prevention Regulations; introduction of Alternate Fire Stations for volunteer fire fighting, establishment of dedicated training facilities; and the acquisition of high velocity pumps.

2.5.9. "Out of commission" fire and emergency vehicles constrained JFB's ability to effectively respond to fires. As at February 2023, JFB's non-operational vehicles accounted 39 per cent of the fleet of 105 fire and emergency vehicles due mainly to engine and transmission failure; leaking water tanks; mechanical issues, and accident.

2.5.10. JFB investigated less than 1 per cent of the reported 44,764 fires over the five-year review period. Of the 210 investigations conducted, JFB presented 100 reports for our review, which revealed that the major cause of fires investigated were due to accidents.

2.5.11. The JFB should ensure strict adherence to its building inspection and fire investigation policy to strengthen its fire prevention activities, as well as submit all outstanding annual reports and financial statements to its portfolio Minister for tabling in the Houses of Parliament to enable the Government's oversight responsibilities.

Effectiveness of Jamaica's Institutional Framework in enabling a strong and resilient National Public Health System

2.5.12. The audit reviewed and assessed the process in achieving the health-related objectives outlined in Vision 2030 NDP, to build resilience in the public health system.

Major Findings

2.5.13. The Ministry of Health and Wellness (MoHW) developed a 10-year Strategic Plan in 2017 to fast track the achievement of Vision 2030 NDP health-related targets. However, the Ministry indicated that given the Covid-19 pandemic in 2020, little progress had been achieved in implementing the strategic actions.

2.5.14. The resilience of Jamaica's public health system continues to be challenged by low hospital bed capacity ratios and low doctor and nurse to patient densities, which limit the capacity to adequately respond to public health emergencies. Data obtained from the Pan American Health Organization (PAHO) Core Indicators Portal, a dashboard on countries' hospital beds per 1,000 population, suggested that, in 2021, Jamaica had 1.68 hospital beds available for every 1,000 persons in the population.

2.5.15. In November 2018, the IDB approved a US\$50 million five-year loan facility to finance the strengthening of the public health system along with a US\$11.4 million investment grant from the European Union (EU). However, the loan facility was significantly behind schedule, because of the lack of proper design of the programme, the significant time spent to define the scope and develop a proper budget, and the outbreak of the Covid-19 pandemic. According to the World Bank data, Jamaica's health expenditure in relation to Gross Domestic Product (GDP) averaged 3.82 per cent for years 2015 to 2019, which is 2.18 percentage point below PAHO's recommendation of six per cent to achieve UHC and UAH.

2.5.16. The MoHW prepared management plans and protocols in response to previous public health emergencies such as the Zika and Chikungunya viruses. However, we found no evidence that MoHW did an assessment and documented the lessons learnt from these health emergencies and incorporated post-event reviews to aid in responding to future health emergencies.

Recommendation

2.5.17. Better coordination is urgently required among key stakeholders, particularly MoHW and MoFPS, to implement the health-related actions under Vision 2030 NDP to build the capacity and the resilience of the public health system and to achieve the targets by year 2030.

National Works Agency: Managing the Main Road Network

2.5.18. The audit sought to determine whether NWA's management of Jamaica's main roads was cost-effective and agile in accordance with relevant policies and guidelines to achieve value for money and the National Strategic Vision for Jamaica's road and road infrastructure.

Major Findings

2.5.19. NWA fully implemented five of the six recommendations from our 2011 special audit report on the Jamaica Development Infrastructure Programme (JDIP), a precursor to the Major Infrastructure Development Programme (MIDP.) These included the use of Public Procurement Commission (PPC) registered contractors for sub-contracted works utilising the limited tender methodology (LTM); compliance with the requirement for sub-contractors to be registered or contractually associated with a contractor with the PPC2 on the MIDP and the Southern Coastal Highway Improvement Project (SCHIP).

2.5.20. Based on feasibility studies and cost-benefit analyses, NWA recommended seven major roads for infrastructure development and rehabilitation under MIDP. Of the six road projects selected for review, 5 experienced additional time and costs, based on project rescoping, implementation delays and price variations. These were Mandela Highway, Constant Spring Road, Hagley Park Road, and Ferris Cross to Mackfield. Additional costs for four of the projects totalled US\$16.54 million, while NWA saved US\$351,860 in respect of the Marcus Garvey Drive Improvement Project.

2.5.21. GOJ's decision to replace water and sewer pipelines after the commencement of works to expand the Mandela Highway, Constant Spring, Barbican, and Hagley Park roads, contributed to additional project costs. The original scope was limited to expanding the capacity of the existing road infrastructure, under the control of NWA. During the performance of the civil works, the project encountered leaking pipelines that would negatively impact the rehabilitated road infrastructure. In March 2018 MEGJC and CHEC entered into an agreement for US\$46.9 million to ensure that NWC's infrastructure be replaced and of sound operation before the completion of the road construction.

2.5.22. For the Junction Main Road rehabilitation works geotechnical, hydrological, and geological issues, additional excavation, construction of new retaining walls, additional drainage contributed to additional costs totalling \$882.13 million, relative to the original contract cost of \$597.8 million. NWA paid an additional \$246.8 million for adjustments to the design, to include works related to the construction of retaining walls and improved drainage. Other payments to the contractor amounted to \$273.20 million for compensable extension of time, increased labour and materials costs, while \$40.79 million was paid to the Consultant for supervisory costs.

2.5.23. The South Coast Highway Improvement Project (SCHIP) commenced approximately three years after the contract was signed as GOJ had not satisfied all the conditions necessary to initiate the first disbursement under the loan agreement with China EXIM Bank. The main contract stipulated that the Employer (MEGJC) hand over the Right of Way (ROW) to the Contractor (CHEC) free of encumbrances. Up to the date of our assessment (April 2023) NWA did not hand over 108 (19.5 per cent) of 553 parcels to the Contractor (CHEC). NWA's records also revealed that the outstanding relocation of utility poles contributed to delays across the sub-contracts.

Recommendations

2.5.24. Going forward, MEGJC and NWA should adopt a whole of Government approach for the implementation of major road infrastructure projects. Further, both entities should take steps at the pre-contract stages of project implementation to ensure that designs consider all pre-requisites, infrastructure needs and terrain to minimise modification during the implementation stage implementation of major road infrastructure projects.

Quality

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

Timeliness

2.5.26. The timing of our audit reports was largely affected by delays in the provision of responses by some entities, as well as the large volume of manual records to be reviewed.

Looking Forward

2.5.27. The 2024-25 workplan will encompass at least one cross-cutting and a collaborative audit as it seeks to implement the recommendation from the 2022 SAI-PMF review, while considering the needs of stakeholders and existing staff constraints.

SECTION 3


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

Key Highlights:

- Surcharge Committee Report
- Audit findings against thematic framework
- Audit findings and 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 2023

3.1.1. A surcharge can be imposed on public officers allowing the Government to recover moneys from person(s) found negligent in the exercise of their duties, resulting in a loss to the Government³. The Financial Administration and Audit (FAA) Act outlines the actions that can give rise to a surcharge. These are if a public officer; fails to collect moneys owing to the Government; was responsible for any improper payment of public moneys, was responsible for any deficiency in, or for the loss or destruction of, any government property, and if, within a period specified by the Financial Secretary, a satisfactory explanation was not furnished with regard to such failure to collect, improper payment, payment not duly vouched, deficiency, loss, or destruction. The duty of the Auditor General is to report on these matters and recommend surcharge to the Financial Secretary, whose has the responsibility to impose a surcharge in accordance with the provision of Section 20 of the FAA Act.

Failure to collect revenue

Making "Improper Payments"

Deficiency or loss of public moneys

Loss or destruction of government assets

Any other loss as detailed in the FAA Act Sections 20 (1) (c) & 49(5)

Cases Received and Reviewed by the SRC in 2023

3.1.2. For the year 2023, the SRC received one case for review relating to an overpayment matter at the Passport, Immigration and Citizenship Agency (PICA). This matter was reviewed by the SRC on November 30, 2023. The SRC agreed not to consider the matter for surcharge, at this time, to allow for due process in keeping with Section 9.6 of the FAA Act Financial Instructions.

SRC Monitoring of Previous Cases Reported to the Financial Secretary

3.1.3. In addition to reviewing activities liable to surcharge, the SRC continues to exercise its functions to monitor surcharge notifications from the Financial Secretary on the status of cases reported by the Auditor General under Section 20 of the FAA Act and related proceedings subject to Sections 22 and 23 of the FAA Act. As shown in the Table below, consistent with the recommendations of the SRC, the Auditor General reported six matters to the Financial Secretary 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 because of negligence on the part of public officers.

Table 10











CASE No.	ENTITY	VALUE OF DEFICIENCY/LOSS
SRC2021-02	Overseas Examinations Commission	\$1,653,165.43
SRC2021-04	Firearm and Licensing Authority	\$8,369,660.94
SRC2021-05	Joint Committee for Tertiary Education	\$124,076,382.30
SRC2022-01	Firearm Licencing Authority	\$1,049,990.63
SRC2022-02	National Environment & Planning Agency	\$249,999.97
SRC2022-03	Portland Municipal Corporation	\$1,669,970,626.00
Total	-	\$1,805,369,825.27

³ Section 2.6 (2.6.1) FAA Act Financial Instructions.

According to Section 2.6.4 (c) of the FAA Act Financial Instructions, a decision should then be taken by the Financial Secretary whether a surcharge should be levied or withdrawn. The FAA Act, Section 20(1)(c) and the FAA Act Instructions 2.6.7 give the Financial Secretary the discretion to impose a surcharge for any amount up to the maximum value of the loss identified and recommended by the Auditor General. Section 20(2) of the FAA Act specifies that “no such surcharge shall be made after the expiration of a period of three years from the date of such failure to collect, improper payment, payment not duly vouched, deficiency, loss or destruction, as the case may be”.

3.1.4. In accordance with Section 21(1) of the FAA Act, the Financial Secretary shall notify the Auditor General of any surcharge made under Section 20 of the FAA Act. The SRC monitors the status of cases reported to the Financial Secretary, based on notifications received. The Auditor General’s Department received notifications, which indicated that the Financial Secretary withdrew three of the cases on the basis that the matters were no longer legally enforceable since the prescribed three-year period within which surcharge can be effected had elapsed. The Auditor General’s Department receives no notification in relation to the other three cases. The SRC continues to monitor these cases.

Table 11

CASE No.	Date/Period of Loss	Date Received by SRC	Date Reported to FS	Status
SRC2021-02	Feb 2020	Feb 2021	June 2021	
SRC2021-04	May - Oct 2017	July 2021	Aug 2021	
SRC2021-05	Apr 2017 -Dec 2019	July 2021	Oct 2021	
SRC2022-01	Jun 2018, Nov 2018, Dec 2018	Feb 2022	Apr 2022	
SRC2022-02	May 2021	Oct 2022	Nov 2022	
SRC2022-03	**FY2010/11 - FY 2011/12	Oct 2022	Dec 2022	
 Loss Recovered	 Keep in View	 Withdrawn	 Under Review	

*Surcharge no longer legally enforceable owing to a prescribed period of limitation having lapsed.

**The AUGD could not confirm the exact timing of the loss.

Summary of Audit Findings Against Thematic Framework

3.2.1. The AuGD's thematic framework, which was developed in 2016, represents the commonalities of audits based on the various issues identified. Governance is an overarching theme that is considered in conducting all of our audits. Other issues and findings have been categorized under the following themes:

- **Service Delivery**-Examines and identifies the level of efficiency and effectiveness of public sector bodies in the provision of services to the general citizenry, based on agreed requirements and expectations. Key insights covered are the processes and procedures of these bodies as well as performance monitoring and measurement.
- **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
Service Delivery	
Project Management	
Resource Management	
Procurement and Contract Management	
Information Communication Technology	

List of Reports against Corresponding Themes

Ministries, Departments, Agencies, and Projects	Service Delivery	Project Management	Resource Management	Procurement and Contract Management	Information Communication Technology
Head 02000: Houses of Parliament					
Head 08000: The Independent Commission of Investigations (INDECOM)-Serious Organized Crime and Anti-Corruption Programme (SOCAP) 2022					
Head 15000: Office of the Prime Minister (OPM)					
Head 15000: Office of the Prime Minister (OPM)-Jamaica Social Investment Fund-Disaster Vulnerability Reduction (JSIF-DVRP) and Rural Economic Development Initiative (REDI) 2 Project					
Head 15010: Jamaica Information Service (JIS)					
Head 16000: Office of the Cabinet					
Head 16049: Management Institute for National Development (MIND)					
Head 17000: Ministry of Tourism and Entertainment-Bath Fountain Hotel and Spa					
Head 17000: Ministry of Tourism-Milk River Hotel and Spa					
Head 19000: Ministry of Economic Growth and Job Creation (MEGJC)					
Head 19000: Ministry of Economic Growth and Job Creation (MEGJC)-Development Bank of Jamaica Boosting Innovation, Growth & Entrepreneurship Ecosystems Programme					
Head: 19000: Ministry of Economic Growth and Job Creation (MEGJC)-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 19046: Forestry Department					
Head 19050: Ministry of Economic Growth and Job Creation-National Works Agency (NWA)					
Head 20000 and 20000C: Ministry of Finance and the Public Service					
Head 20000: Ministry of Finance and the Public Service-Public Procurement Commission (PPC)					
Head 20000: Ministry of Finance and the Public Service-Planning Institute of Jamaica (PIOJ)- Improving Climate Data and Information Management Project					

Ministries, Departments, Agencies, and Projects	Service Delivery	Project Management	Resource Management	Procurement and Contract Management	Information Communication Technology
Head 20000C: Ministry of Finance and the Public Service- Planning Institute of Jamaica-Foundations for Competitiveness and Growth Project (FCGP)					
Head 20011: Accountant General's Department					
Head 20012: Jamaica Customs Agency					
Head 20056: Tax Administration Jamaica					
Head 26000: Private Security Regulation Authority (PSRA)					
Head 26022: Police Department					
Head 26024: Department of Correctional Services (DCS)					
Head 26053: Passport Immigration and Citizenship Agency (PICA)					
Head 26057: Institute of Forensic Science and Legal Medicine					
Head 28000: Ministry of Justice-Serious Organized Crime and Anti-Corruption Programme (SOCAP), Phase 2 of the Unification of the Prosecutorial Services Jamaica Project					
Head 30000: Ministry of Foreign Affairs and Foreign Trade					
Head 4000: Ministry of Labour and Social Security					
Head 41000: Ministry of Education, Youth, and Information (MOEYI)					
Head 41000: Ministry of Education, Youth, and Information (MOEYI)- Council of Community Colleges of Jamaica (CCCJ)					
Head 41000: Ministry of Education, Youth, and Information-Early Childhood Commission (ECC)					
Head 41000: Ministry of Education, Youth, and Information-National Council on Education					
Head 41000: Ministry of Education-Overseas Examinations Commission (OEC)					
Head 42000: Ministry of Health and Wellness					
Head 42035: Government Chemist					
Head 4420: Registrar General's Department					
Head 51000: Ministry of Agriculture, Fisheries and Mining-Jamaica 4H Clubs					
Head 51000: Ministry of Agriculture-Promoting Community Based Climate Resilience in the Fisheries Sector Project					

Ministries, Departments, Agencies, and Projects	Service Delivery	Project Management	Resource Management	Procurement and Contract Management	Information Communication Technology
Head 53000: Ministry of Industry, Investment and Commerce-Jamaica Intellectual Property Office					
Head 53038: Companies Office of Jamaica					
Head 72000: Ministry of Local Government and Community Development					
Head 72000: Ministry of Local Government and Community Development-Social Development Commission (SDC)					
Head 72000: Ministry of Local Government and Community Development-Municipal Corporations Backlog Audit Project					

Head 02000: Houses of Parliament

ISSUE/CONCERNS	FINANCIAL EXPOSURE														
RESOURCE MANAGEMENT															
<p>Outstanding Appropriation Accounts</p> <p>3.2.2. 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 period. 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>3.2.3. The Accounting Officer did not submit five Appropriation Accounts representing an accumulated budgetary allocation of approximately \$6.06 billion (<i>Table 12</i>) for the financial years 2018/2019 to 2022/2023 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. Management subsequently advised that the outstanding accounts are being prepared and will be submitted as soon as possible.</p> <p><i>Table 12: Budgetary Allocation to the Houses of Parliament</i></p> <table border="1"> <thead> <tr> <th>Financial Year</th><th>Approved Recurrent Budget (\$)</th></tr> </thead> <tbody> <tr> <td>2022/2023</td><td>1,428,632,000</td></tr> <tr> <td>2021/2022</td><td>1,310,063,000</td></tr> <tr> <td>2020/2021</td><td>1,175,000,000</td></tr> <tr> <td>2019/2020</td><td>1,088,467,000</td></tr> <tr> <td>2018/2019</td><td>1,059,206,000</td></tr> <tr> <td>Total</td><td>6,061,368,000</td></tr> </tbody> </table>	Financial Year	Approved Recurrent Budget (\$)	2022/2023	1,428,632,000	2021/2022	1,310,063,000	2020/2021	1,175,000,000	2019/2020	1,088,467,000	2018/2019	1,059,206,000	Total	6,061,368,000	<p>\$6.06 billion</p>
Financial Year	Approved Recurrent Budget (\$)														
2022/2023	1,428,632,000														
2021/2022	1,310,063,000														
2020/2021	1,175,000,000														
2019/2020	1,088,467,000														
2018/2019	1,059,206,000														
Total	6,061,368,000														

Head 08000: The Independent Commission of Investigations (INDECOM)-Serious Organized Crime and Anti-Corruption Programme (SOCAP) 2022

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.4. In 2015, the Government of Jamaica signed a Memorandum of Understanding (MoU) with the Department for International Development (DFID) to fund INDECOM's efforts to combat corruption under the Caribbean Anti-Corruption Programme. The funds were used to buy equipment for forensic and investigative purposes, to pay the project staff, and to improve security at the three INDECOM offices. In September 2020, the agreement was revised to reflect the change of DFID to Foreign, Commonwealth and Development Office (FCDO) and the funding was extended until March 31, 2023.</p> <p>3.2.5. I conducted an audit of the financial statements of INDECOM's Serious Organised Crime and Anti-Corruption Programme (SOCAP) for the fiscal year 2021/2022. The audit revealed that the accounting records were adequately maintained, and the financial</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
transactions complied with the provisions of the MoU and the International Public Sector Accounting Standards (IPSAS) Cash Basis of Accounting.	

Head 15000: Office of the Prime Minister

ISSUE/CONCERNS	FINANCIAL EXPOSURE										
RESOURCE MANAGEMENT											
<p>3.2.6. During the period under review, I conducted the audits of the 2018/2019 and 2019/2020 recurrent Appropriation Accounts of the Office of the Prime Minister. The audits revealed a generally satisfactory state of affairs. However, management was advised to strengthen the controls over accounting for Appropriations-In-Aid and unused per diem. The Accounting Officer subsequently indicated that steps have since been taken to strengthen the relevant controls.</p> <p>Outstanding Appropriation Accounts</p> <p>3.2.7. 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 each 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>3.2.8. The OPM's Accounting Officer did not submit three Appropriation Accounts representing an accumulated budgetary allocation of approximately \$12.02 billion (<i>Table 13</i>) 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>3.2.9. The Accounting Officer subsequently indicated that the delay in finalising the Appropriation Accounts was due to unresolved issues relating to the reallocation of fiscal space within the OPM's projects budget. Nevertheless, steps are being taken to submit the outstanding Appropriation Accounts by the end of the fourth quarter of fiscal year 2023/2024.</p> <p>Table 13: Budgetary allocation to the Office of the Prime Minister</p> <table> <tr> <th>Financial Year</th><th>Approved Gross Budget [Capital Head] (\$)</th></tr> <tr> <td>2021/2022</td><td>4,970,247,000</td></tr> <tr> <td>2019/2020</td><td>4,122,058,000</td></tr> <tr> <td>2018/2019</td><td>2,930,240,000</td></tr> <tr> <td>Total</td><td>12,022,545,000</td></tr> </table>	Financial Year	Approved Gross Budget [Capital Head] (\$)	2021/2022	4,970,247,000	2019/2020	4,122,058,000	2018/2019	2,930,240,000	Total	12,022,545,000	\$12.02 billion
Financial Year	Approved Gross Budget [Capital Head] (\$)										
2021/2022	4,970,247,000										
2019/2020	4,122,058,000										
2018/2019	2,930,240,000										
Total	12,022,545,000										

Head 15000: Office of the Prime Minister-Jamaica Social Investment Fund-Disaster Vulnerability Reduction (JSIF-DVRP) and Rural Economic Development Initiative (REDI) 2 Project

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>Jamaica Disaster Vulnerability Reduction Project (JDVRP)</p> <p>3.2.10. The goal of the Jamaica Disaster Vulnerability Reduction Project (JDVRP) is to enhance the climate and disaster resilience of key infrastructure assets and Jamaica’s disaster response capacity. The Project is funded by a US\$30.0 million loan from the International Bank for Reconstruction and Development (IBRD) and should have been disbursed over a period of six years from July 1, 2016. However, the Project received Level 2 restructuring from the IBRD on May 30, 2022, and the closing date was amended to May 31, 2024.</p> <p>3.2.11. The Project aims to reduce the level of devastation caused by natural hazards, especially on the productive sector of the economy, decrease the recovery period, and eliminate or reduce the need for the GOJ to divert budgetary allocations to directly finance disaster recovery. The outcome of this project is intrinsically linked to Goal four (4) and Outcome fourteen (14) - Hazard Reduction and Adaption to Climate Change of the National Development Plan, Vision 2030 and by extension Sustainable Development Goal (SDG) number thirteen (13) -Climate Action.</p> <p>Rural Economic Development Initiative Project (REDI II)</p> <p>3.2.12. The Rural Economic Development Initiative (REDI) Project is to enhance access to markets and to climate-resilient approaches for targeted beneficiaries. The Project is funded by a US\$40.0 million loan from the International Bank for Reconstruction and Development (IBRD) and should be disbursed over a five-year period from March 3, 2020, when the loan agreement was signed.</p> <p>3.2.13. The aim of this Project is to promote the development of agricultural and community tourism in rural enterprises and to operate competitively in selected value chains and strengthen the capacity of public entities to provide access to public infrastructure and the services needed to promote inclusive development in rural areas. The outcome of this project is intrinsically linked to Goal one (1) and Outcome fifteen (15) – Sustainable Urban and Rural Development, Vision 2030 and by extension Sustainable Development Goal (SDG) number thirteen (17) -Partnership to Achieve Goal.</p> <p>3.2.14. The audit of the Jamaica Disaster Vulnerability Reduction Project (JDVRP) and the Second Rural Economic Development Initiative (REDI 2) financial statements for the period ended March 31, 2023, disclosed a general improvement in the JSIF’s management and oversight of the accounting function and the progress of the JDVRP. However, significant improvement is required in the overall implementation and management of the REDI 2 Project to ensure the timely utilization of Loan Funds and achievement of the Project targets to attain the overall Project outcomes.</p>	<p>US\$11.25 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>Rural Economic Development Initiative Project (REDI II)</p> <p>Project targets not achieved as planned</p> <p>3.2.15. At March 31, 2023, JSIF implemented 14 of the REDI II Project indicators. Of this amount, twelve were off track and did not meet the annual agreed targets. We noted that JSIF awarded ten of the thirty-four planned contracts and twenty-four with approximate values of J\$814.9 million were not completed. Some of the contributory factors cited for the unmet targets were the Covid-19 pandemic and its related restrictions that had a negative impact on JSIF's performance, as they hindered the procurement process and other aspects of its operation.</p> <p>3.2.16. The procurement challenges encountered impacted JSIF's ability to, among other things, identify suitable consultants to execute the key Project activities such as the issuing of grants under the Climate Resilient Agricultural and Community Tourism Investments of Rural Enterprises. This was evident in the approval process as, from a target of 83 business plans, JSIF was only able to approve one business plan for a rural enterprise to participate in partnership agreement. This outcome has led to unspent budgetary allocations totalling US\$11.25 million of the three-year roll out budget of US\$14.25 million. The under expenditure and unmet targets have placed the Project at risk of not achieving the desired outcomes.</p> <p>3.2.17. Following the audit, JSIF has taken several steps to accelerate the implementation of the REDI 2 Project. In the last six months, it has approved 12 additional business plans. Also, the Government of Jamaica requested approval from the World Bank for the project to be restructured to ensure that the funds allocated can be used for the project objectives in the remaining time. JSIF advised that this is being pursued as a priority for approval by early 2024.</p> <p><u>Jamaica Disaster Vulnerability Reduction Project (JDVRP)</u></p> <p>3.2.18. The JDVRP was restructured in May 2022 to facilitate the completion of outstanding activities that would allow the Project to achieve its objectives. This restructuring resulted in the reduction of the Project indicators by two, to 14. As at March 31, 2023, the Project achieved 9 indicators, a 200 per cent increase over the previous year. Notwithstanding, we noted that the Project team's efforts were challenged by the length of time taken in awarding, negotiating, and finalising contracts with the relevant stakeholders. In response to this concern, JSIF indicated that several procurement activities are underway to ensure the achievement of the remaining Project targets prior to the Project closing date. JSIF subsequently advised that the procurement activities are at an advance stage to utilize the remainder of the Project funds within the agreed timeline.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>Recommendations</p> <p>3.2.19. JSIF was advised to develop risk-based strategies that will ensure the Project activities that are lagging are completed within the disbursement period and in line with the loan agreement. We also encouraged the Project Steering Committee (PSC) to strengthen its oversight function with the aim of addressing the known challenges encountered early in the implementation phase so that the Project can achieve the desired outcomes.</p> <p>3.2.20. JSIF has committed to the continued implementation of the risk-based strategies to recoup the time lags and meet the disbursement and completion timelines.</p>	

Head 15010: Jamaica Information Service (JIS)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Appropriation Accounts</p> <p>3.2.21. During the period under review, I completed the audit of the 2018/2019 to 2020/2021 Appropriation Accounts and the 2019/2020 to 2022/2023 financial statements for the Jamaica Information Service (JIS). The following matters of concerns were noted:</p> <p>2018/2019 to 2020/2021 Appropriation Accounts</p> <p><i>Excess Expenditure</i></p> <p>3.2.22. There was a breakdown in JIS's commitment planning and control system that resulted in excess expenditure for Object 23 – Rental of Property and Machinery and Object 24 – Utilities and Communication Services totalling \$36.8 million. Section 3.7 of the Financial Administration and Audit (FAA) Act Instructions prohibits the reallocation of approved budget under specific objects including, Object 23 – Rental of Property and Machinery and Object 24 – Utilities and Communication Services. Additionally, JIS reallocated \$21.2 million from these prohibited objects to objects that had excess expenditure.</p> <p>3.2.23. JIS also exceeded its approved budget for the financial years 2019/20 and 2020/21 by \$47.8 million and \$33 million respectively. Section 116 of the Constitution of Jamaica requires Parliamentary approval for expenditure in excess of the sum provided for by the Appropriation Law.</p>	<p>\$80.8 Million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.24. JIS attributed the excesses to the Agency being forced to make unrealistic budget allocations because of the constraints of the budget ceiling.</p> <p>3.2.25. JIS also advised that the Agency must consistently address requests from its stakeholders which at times may require it to go beyond its capacity.</p> <p>Recommendation</p> <p>3.2.26. JIS was encouraged to implement internal controls that will ensure expenditure is contained within the approved budget.</p> <p>Financial Statements</p> <p>3.2.27. The audit of JIS's 2019/2020 to 2022/2023 financial statements revealed the following:</p> <p>Inadequate management of Accounts Receivable</p> <p>3.2.28. The financial statements for 2022/23 showed that JIS has an increased risk of financial losses due to Accounts Receivable balances of its core services totaling \$169.9 million. Of this amount, 59 percent remained unpaid for up to 17 years and JIS only made a provision for doubtful debt of \$16.05 million. Additionally, in keeping with the accounting standards, JIS did not conduct an annual assessment of the balances to determine whether the Receivables are collectible. Further, the Accounts Receivable balance included unidentified deposits totaling \$6.39 million, which management is yet to resolve.</p> <p>Recommendation</p> <p>3.2.29. Management was advised to improve its credit and collection practices to prevent overdue payments and minimize the risk exposure. This requires a clear and proactive strategy to deal with late amounts and ensure a timely recovery.</p> <p>3.2.30. Subsequently, JIS advised that one of the main difficulties the Agency faces is the high number of overdue payments from its clients, which are mostly Government Ministries, Departments and Agencies. JIS has repeatedly contacted these MDAs to request payment but has not received much cooperation. Other measures taken by JIS have also been ineffective in resolving this issue.</p>	<p>\$169.9 million</p>

Head 15020: Registrar General's Department

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.31. During the period I audited the Registrar General's Department Appropriation Accounts for the Financial Year 2013/14 and the financial statements for the financial year 2021/2022. The following were noted:</p> <p>Appropriation Accounts for the Financial Year 2013/14</p> <p>3.2.32. The audit revealed that the Appropriation Accounts were prepared in all material respect in accordance with the Financial Administration and Audit Act. However, the RGD expenditure for the period ended March 31, 2014, exceeded the approved budget by \$14.48 million. Section 116 of the Constitution of Jamaica requires Parliamentary approval for expenditure in excess of the sum provided for by the Appropriation Law.</p> <p>3.2.33. The CEO acknowledged the variation and subsequently advised that the Agency will rectify this by obtaining Parliamentary approval to be in compliance with the stated Law.</p> <p>Financial Statements for the Financial Year 2021/22</p> <p>3.2.34. The financial statements gave a true and fair view of the RGD's financial positions as at the end of the financial year and of its financial performance and cash flows in accordance with the International Public Sector Accounting Standards.</p> <p>3.2.35. The RGD has since taken steps to address the weaknesses that were brought to management attention. The RGD 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 16000: Office of the Cabinet

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.36. During the period under review, I completed the audits of five Appropriation Accounts for the Office of the Cabinet. These included three recurrent heads for financial years 2018/2019, 2020/2021 and 2021/2022, and two capital heads for financial years 2018/2019 and 2020/2021. The audit of the recurrent heads revealed a generally satisfactory state of affairs. However, I issued a qualified opinion on the two capital Appropriation Accounts due to the understatement of expenditure for 2018/2019 and the overstatement of expenditure for 2020/2021.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.37. The 2018/2019 capital head Appropriation Account was materially understated because it did not include project expenditure totalling \$153,020,484 for 2018/2019 as these payments were not recorded in the accounts until the 2019/2020 financial year while the 2020/2021 capital head Appropriation Account was materially overstated because it included prior year expenditure totalling \$22,960,000. These misstatements were due to the processing and issuing of Warrants after payments were made, resulting in expenditure not being posted in the period incurred.</p> <p>3.2.38. The Accounting Officer indicated that the Ministry of Finance “<i>was petitioned to improve the design of the processes that capture capital expenditure and record payments as a means of eliminating the inherent timing differences and thereby preventing the recurrence of such issues which now seem endemic to the current process design</i>”.</p>	

Head 16049: Management Institute for National Development

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.39. The audit of the accounting records and financial transactions of the Management Institute for National Development (MIND) for the financial year 2022/2023 revealed a generally satisfactory state of affairs. The Agency was encouraged to continue to strengthen its management of Accounts Receivable to ensure that all outstanding balances are collected in a timely manner or written off in keeping with existing guidelines.</p>	

Head 17000: Ministry of Tourism -Bath Fountain Hotel and Spa

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.40. During the period I audited the 2020/21 financial statements of the Bath Fountain Hotel and Spa. The audit revealed that the accounting records were generally properly maintained and financial transactions administered in accordance with GOJ guidelines. Also, the Statement of Receipts and Payments gave a true and fair view of the Bath Fountain Hotel and Spa’s state of affairs for the period ended March 31, 2021.</p>	

Head 17000: Ministry of Tourism-Milk River Hotel and Spa

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.41. During the period I audited the financial statements of the Milk River Hotel and Spa for the year ended March 31, 2022. The audit revealed a generally satisfactory state of affairs. Management was advised to strengthen the controls over cash receipts and gratuity payments to ensure compliance with the relevant guidelines. The Accounting Officer accepted the recommendation and indicated that steps will be taken to strengthen the relevant controls.</p>	

Head 19000: Ministry of Economic Growth and Job Creation

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.42. During the period under review, I completed the audits of five Appropriation Accounts for the Ministry of Economic Growth and Job Creation (MEGJC). These included three heads for the financial year 2018/2019 (Recurrent, Capital A and Capital B) and two heads (Recurrent and Capital C) for the 2019/2020 financial year. I issued a qualified opinion on the 2018/2019 Capital B Appropriation Account because it was materially overstated as it included prior year project expenditure totalling \$286,557,000. These payments, which related to externally funded projects, were made in 2017/2018 but were not booked until the 2018/2019 financial year due to the processing and issuing of Warrants after the payments were made. The Accounting Officer indicated that steps have since been taken to engage the Ministry of Finance in order to better streamline the process of recording externally funded project expenditure.</p> <p>3.2.43. The audits also revealed weaknesses in the controls over payroll, classification of expenditure, and accounting for Appropriations in Aid. Management subsequently advised that steps have since been taken to strengthen the relevant controls.</p>	

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

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
SERVICE DELIVERY	
<p>3.2.44. During the period under review, I completed the audits of five Appropriation Accounts for the Ministry of Economic Growth and Job Creation (MEGJC). These included three heads for the financial year 2018/2019 (Recurrent, Capital A and Capital B) and two</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>heads (Recurrent and Capital C) for the 2019/2020 financial year. I issued a qualified opinion on the 2018/2019 Capital B Appropriation Account because it was materially overstated as it included prior year project expenditure totalling \$286,557,000. These payments, which related to externally funded projects, were made in 2017/2018 but were not booked until the 2018/2019 financial year due to the processing and issuing of Warrants after the payments were made. The Accounting Officer indicated that steps have since been taken to engage the Ministry of Finance in order to better streamline the process of recording externally funded project expenditure.</p> <p>3.2.45. The audits also revealed weaknesses in the controls over payroll, classification of expenditure, and accounting for Appropriations in Aid. Management subsequently advised that steps have since been taken to strengthen the relevant controls.</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

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
SERVICE DELIVERY	
<p>3.2.46. 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 IDB approved a one-year extension of the project to September 2023. The executing agency for this Project is the Development Bank of Jamaica.</p> <p>3.2.47. The audit of the accounting records and financial transactions of the project for the year ended March 31, 2023, revealed that 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 found to be generally satisfactory. The Credit Enhancement Programme for MSMEs Project has consistently achieved all targets planned up to March 31, 2023, and remains on track to achieving a successfully executed project.</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**

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
SERVICE DELIVERY	
<p>3.2.48. The Jamaica Access to Finance for Micro, Small and Medium Enterprises (MSMEs) Project was realized out of the recognition by the Government of Jamaica of the need to improve economic growth and development in Jamaica. 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 International Bank for Reconstruction and Development (IBRD) and has a period of execution of sixty months with effect from January 1, 2018. The Bank has since approved a one-year extension of the final disbursement date to January 31, 2024.</p> <p>3.2.49. The audit of the accounting records and financial transactions of the project for the year ended March 31, 2023, 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. The project achieved five of the eight planned targets for the year. To date the IBRD has disbursed a total of US\$8.6 million, which is approximately 58% of the loan fund of US\$15 million.</p> <p>3.2.50. Management was advised to ensure that the outstanding project activities are implemented in a timely and efficient manner to achieve the intended project objectives.</p>	

Head 19046: Forestry Department

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Unsupported Biological Assets</p> <p>3.2.51. During the period under review, I completed the audit of the Financial Statements of the Forestry Department for the financial year 2017/2018. I issued a qualified audit opinion on the Financial Statements because I was unable to determine whether the carrying value of biological assets totalling \$162.38 million was fairly presented as the valuation was outdated and management did not provide sufficient and appropriate evidence to support this value. Management indicated that, in consultation with the Ministry of Finance, the Forestry Department has since taken steps to exclude the relevant biological assets from its financial statements with effect from the 2018/2019 financial year.</p>	<p>\$162.38 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE																								
<p>Outstanding Appropriation Accounts</p> <p>3.2.52. 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 period. 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>3.2.53. Though the Forestry Department has submitted its accrual financial statements up to the 2018/2019 financial year, the Agency's Accounting Officer did not submit 12 Appropriation Accounts representing an accumulated budgetary allocation of approximately \$8.6 billion (<i>Table 14</i>) for the financial years 2013/2014 to 2022/2023 as required by the FAA Act. The non-submission of the Appropriation Accounts is a breach of the FAA Act. Management has since indicated that steps will be taken to submit five of the outstanding Appropriation Accounts by March 31, 2024, and the remaining Accounts by March 31, 2025.</p> <p>Table 14: Budgetary Allocation to the Forestry Department</p> <table> <tr> <th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr> <tr> <td>2022/2023</td><td>1,462,663,000</td></tr> <tr> <td>2021/2022*</td><td>1,184,168,000</td></tr> <tr> <td>2020/2021*</td><td>1,045,127,000</td></tr> <tr> <td>2019/2020</td><td>1,085,718,000</td></tr> <tr> <td>2018/2019</td><td>919,281,000</td></tr> <tr> <td>2017/2018</td><td>679,621,000</td></tr> <tr> <td>2016/2017</td><td>638,687,000</td></tr> <tr> <td>2015/2016</td><td>621,915,000</td></tr> <tr> <td>2014/2015</td><td>495,981,000</td></tr> <tr> <td>2013/2014</td><td>497,640,000</td></tr> <tr> <td>TOTAL</td><td>8,630,801,000</td></tr> </table> <p>*Heads 19046 & 21046</p>	Financial Year	Approved Budget [Gross] (\$)	2022/2023	1,462,663,000	2021/2022*	1,184,168,000	2020/2021*	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	8,630,801,000	<p>\$8.6 billion</p>
Financial Year	Approved Budget [Gross] (\$)																								
2022/2023	1,462,663,000																								
2021/2022*	1,184,168,000																								
2020/2021*	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	8,630,801,000																								

Head 19050: Ministry of Economic Growth and Job Creation-National Works Agency (NWA)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.54. During the period under review, I audited the 2012/2022 financial statements of the National Works Agency (NWA), and the following matters were noted:</p> <p>Uncollected Lab Testing Fees</p> <p>3.2.55. Despite being the subject of previous audit reports, the NWA has not implemented an effective system that will improve the Agency's cash collection of fees relating to lab testing. As such, as at March 31, 2022, the uncollected lab testing fees owed by private entities amounted to \$16.26 million. This represented a 6.5 per cent increase over the prior year. Also, \$13.70 million or 84.25 percent of this amount (\$16.26)</p>	<p>\$16.26 Million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>have been outstanding over nine (9) financial years between 2012-2013 to 2020-2021. The absence of a proper system to recover the cost of services provided by the NWA not only contravenes Section 7.2.1 of the Financial Instructions to Executive Agency (FIEA) but also, in the context where NWA rendered services prior to billing and collection, the likelihood of the Agency recovering the cost of service remains uncertain and the NWA may be financially exposed to the loss of revenue.</p> <p>Improvements required in IT Environment</p> <p>3.2.56. Our review of the NWA's General IT environment revealed that there is a need to strengthen the controls to safeguard NWA's information assets.</p> <p>Recommendations</p> <p>3.2.57. NWA was advised to take the necessary actions to strengthen its IT controls and to recovery the long outstanding Aged Receivables by aggressively following up with clients and pursue legal avenues where necessary. Further, NWA should review the payment terms for services rendered to private entities, to allow for payments or a portion thereof to be made prior to performing the service.</p>	

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

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.58. The audit of the Public Procurement Commission accounting records and financial statements for the 2022/2023 financial year revealed that the accounting records were maintained in accordance with GoJ established laws and guidelines and the financial statements gave a true and fair view of the PPC's, financial position as at March 31, 2023, and of its financial performance, and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS). Notwithstanding, we observed a breakdown in PPC's internal controls over asset management that may have enabled the theft of Three (3) laptops costing \$871,745.19. Moreover, the PPC faced a high risk of losing its vital information if a natural disaster occurred, since the Commission lacked a proper offsite storage system for its data backup.</p> <p>Recommendation</p> <p>3.2.59. The PPC should enhance the internal control system to prevent this from happening again. Moreover, management should try to recover the loss or else this issue will be escalated to the Financial Secretary who may impose surcharge on the responsible officer(s), as per Section 20 of the FAA Act.</p>	\$871,745

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

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.60. During the period under review, I audited the Appropriation Accounts of the Ministry of Finance and the Public Service (MoFPS) for the 2018/19 and 2029/2020 financial year and noted the following:</p> <p>Regulatory breach in the submission of the MoFPS Appropriation Accounts</p> <p>3.2.61. Section 24 (l) of the FAA Act requires accounting officers to submit the financial statements within four months after the end of the financial year. Up to the time of reporting, the MoFPS did not submit five Appropriation Accounts for the FY's 2020/21 – 2022/23. The late submission of the Appropriation Accounts prevents the timely assessment of the Ministry's stewardship over the budget allocation of \$111.3 billion approved by Parliament. (<i>Table 1</i>).</p> <p>3.2.62. Subsequent to the audit the MoFPS advised that the 2020/21 Accounts for the Capital Head is being reviewed by the Ministry's Internal Audit. The Internal Auditor completed the audit for the 2021/22 Appropriation Accounts and submitted their report. However, they are now reviewing further adjustments that were required based on their findings before signing off on the accounts. The MoFPS is working to clear the backlog and have all accounts up to date by the end of the financial year 2023/24.</p> <p>Non-submission of approval for the reallocation of approved capital budget</p> <p>3.2.63. Up to the time of reporting, the MoFPS had not submitted any approval to reallocate \$22.18 million to cover excess expenditure incurred on five Capital projects for the financial year 2018/19. Section 21 (iii) of the FAA Instructions stipulates that Accounting Officers shall not approve reallocation of expenditure budget involving public investment projects, as defined by the Financial Administration and Audit Act. Approval of such reallocation must be granted by the Minister." The absence of the requisite approval circumvents the GoJ established Budgetary Control Procedures and heighten the risk of budget over run.</p> <p>Public Debt (Amortisation)-Head 20017 and Public Debt (Interest)-Head 20018</p> <p>3.2.64. The audit of the Appropriation Accounts for the Public Debt (Amortisation), for the financial year 2019/2020 revealed that the accounts were presented in keeping with the FAA Act, except for the following:</p> <p>Regulatory breaches in submission of the Public Debt Appropriation Accounts</p> <p>3.2.65. The Ministry of Finance and the Public Service did not submit the Public Debt (Amortisation) Appropriation Accounts within the statutory timeline. Up to the time of</p>	

ISSUE/CONCERNS

FINANCIAL EXPOSURE

RESOURCE MANAGEMENT

reporting the Appropriation Accounts for the financial years 2020/21 to 2022/23 with approved budgets totalling \$482 billion remain outstanding. (Table 2).

3.2.66. Additionally, the Public Debt (Interest Payments) Appropriation Accounts, Head 20018 for the financial years 2019/20 to 2022/23 with approved budgets totalling \$592 billion, remain outstanding. (Table 3). The non-submission breaches the requirements of Section 24 (l) of the FAA Act which instructs accounting officers to submit financial statements within four months after the end of the financial year. The late submission of the Appropriation Accounts undermines good governance practice, as it denies Parliament and other stakeholders’ information that will hold management accountable for the funds allocated to repay the Public Debt.

3.2.67. The Ministry explained that the late submission of accounts was due to reasons such as staff turnover and finalization of budget variances. Additionally, the Ministry took over the public debt accounting and reporting function in the fiscal year 2019/20 and this transition process affected the timeliness of the account's preparation. The MoFPS also stated that they are working hard to bring the outstanding Appropriation Accounts up to date.

Recommendation

3.2.68. The MoFPS should ensure priority is given to correcting the root causes that prevented the Ministry from preparing and submitting the Appropriation Accounts to meet the statutory requirement.

Table 15: MoFPS Outstanding Appropriation Accounts for Recurrent and Capital Accounts

Financial Year	Recurrent \$’000	Capital C \$’000	Total \$’000
2022/2023	49,636,488	3,481,527	53,118,015
2021/2022	50,607,319	4,186,615	54,793,934
2020/2021	-	3,428,153	3,428,153
Grand Total	100,243,807	11,096,295	111,340,102

Source: Estimates of Expenditure

Table 16: Outstanding Appropriation Accounts for Public Debt (Amortisation) Head 20017

Financial Year	Approved Budget \$’000	Date due to be submitted to the Auditor General
2020/2021	158,555,588	July 31,2023
2021/2022	161,285,603	July 31,2023
2022/2023	162,622,556	July 31,2023
TOTAL	482,463,747	

Source: Estimates of Expenditure

ISSUE/CONCERNS			FINANCIAL EXPOSURE
RESOURCE MANAGEMENT			
Table 17: Outstanding Appropriation Accounts for Public Debt (Interest) Head 20018			
Financial Year	Approved Budget \$'000	Date due to be submitted to the Auditor General	
2019/2020	178,526,446	July 31,2023	
2020/2021	136,253,047	July 31,2023	
2021/2022	125,986,706	July 31,2023	
2022/2023	151,194,816	July 31,2023	
TOTAL	591,961,015		
<i>Source: Estimates of Expenditure</i>			

**Head 20000: Ministry of Finance and the Public Service-Planning Institute of Jamaica (PIOJ)-
Improving Climate Data and Information Management Project**

ISSUE/CONCERNS		FINANCIAL EXPOSURE
PROJECT MANAGEMENT		
SERVICE DELIVERY		
<p>3.2.69. The objective of the Improving Climate Data and Information Management Project (ICDIMP) was to improve the quality and use of climate data for effective planning and action at the local and national levels. The project was 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; however, it collaborates with other government agencies to implement the various project components.</p> <p>3.2.70. The audit of the accounting records and financial transactions of the ICDIMP for the closing out period April 1, 2022, to December 31, 2022, revealed that the project achieved eight of the revised 10 targets for the period under review. The other two targets were not achieved as one did not start due to a defective piece of equipment and the other was work in progress. Delays in the completion of these two key project activities prevented the maximum utilization of the grant funding.</p> <p>3.2.71. Notwithstanding the official closure of the project, management was advised to take the necessary steps to ensure that the remaining activities are completed in order to derive the originally intended outputs and outcomes.</p> <p>3.2.72. Management indicated that steps have since been taken to replace the defective equipment, which was under warranty. Additionally, an agreement is in place with the equipment supplier to provide the necessary training, at no additional cost as soon as the installation of the replacement equipment has been finalised. However, the achievement of the other target, which was work in progress, has been delayed due to the lack of resources and the absence of an agreed data plan.</p>		

Head 20000: Ministry of Finance and the Public Service- Planning Institute of Jamaica-Foundations for Competitiveness and Growth Project (FCGP)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.73. The Foundations for Competitiveness and Growth Project (FCGP) is funded by a loan of US\$50 Million from the World Bank (IBRD). The Loan was designated to be disbursed by the World Bank over a six-year period, September 3, 2014, to June 30, 2020. The Project received an extension to May 2022 to facilitate the completion of the outstanding deliverables. After this extension, approval was granted for additional financing (AF) of US\$15 Million, comprising a US\$10 Million loan from the World Bank and US\$5 Million from the GOJ Consolidated Fund, resulting in the completion date being extended to March 2024.</p> <p>3.2.74. The objective of the FCGP is to strengthen the business environment in Jamaica for private sector investment. The primary project beneficiaries are private firms operating in Jamaica. Both existing and new firms will benefit from streamlined business regulations that save costs and decrease incentives for rent-seeking. Large foreign and domestic investors will benefit from appropriate preparation for Public-Private Partnerships (PPPs), divestments, and other strategic investments that help bring deals to market. The outcome of the FCGP is fundamentally linked to Goal three (3) and outcome seven (7), a stable Micro-economy of the National Development Plan, Vision 2030 and by extension Sustainable Development Goals (SDGs) number nine (9) and eleven (11)- Industry, Innovation and Infrastructure and Sustainable Cities and Communities, respectively.</p> <p>3.2.75. The audit of the FCGP for the period under review, revealed that management implemented adequate controls over the accounting records and financial transactions were in all material respect in compliance with the GoJ guidelines and loan agreement. Notwithstanding, our review of the project activities revealed the following:</p> <p>Status of Project Activities</p> <p>3.2.76. At March 31, 2023, the FCGP implemented 21 of the 32 project indicators, of which 15 were fully achieved and six were on track to be completed. Also, FCGP was only able to expend US\$547,119.77 or 18 percent of the \$15 Million Additional Financing loan facility signed in October 2021. Notwithstanding the progress, six (6) or 18.7 percent of the indicators showed no significant progress at March 31, 2023. Consequently, six (6) of the indicators were removed and two modified. Our review of the FCGP records revealed that the Project team encountered challenges in procuring the services of consultants with the required capacities to undertake activities and delays in the procurement process. The FCGP attributed the delays to, (but not exclusive to), the extended time given to bidders based on clarification sought on their expectations.</p> <p>3.2.77. Subsequent to the audit, FCGP received approval to re-structure the project. Under this restructuring, a new indicator, “Number of strategic government to business (G2B) digital platforms and portals established and/or upgraded” was introduced. The re-</p>	US\$7.75

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>structuring exercise has also resulted in the cancellation of US\$ 2.25 Million of the \$10 Million Additional Financing loan facility (WB portion of the loan).</p> <p>3.2.78. Additionally, PIOJ advised that the following strategies are already in progress to achieve the project objectives by March 2024:</p> <ul style="list-style-type: none"> i. Incorporating the project end date into all procurement, negotiation and contract award processes to ensure timely start dates and consultants' commitment to implementation. ii. Leveraging existing communications consultancy to promote the portals and new business services that are supported by the FCGP and that are essential for meeting the indicator targets. iii. Strengthening contract management and escalation mechanisms to avoid or resolve any implementation delays, especially for those interventions that are directly linked to indicators. <p>Recommendation</p> <p>3.2.79. Management was encouraged to closely monitor the strategies implemented with the aim of ensuring the successful execution of the remaining project indicators within the completion date of March 2024.</p>	

Head 20011: Accountant General's Department

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.80. During the period under review, I completed the audit of the 2015/2016 and 2018/2019 Appropriation Accounts of the Accountant General's Department (AcGD). The Appropriation Accounts were prepared, in all material respects, in accordance with the Financial Administration and Audit Act. Also, the AcGD has taken steps to address the Information Technology controls weaknesses identified.</p>	

Head 20012: Jamaica Customs Agency

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.81. During the period, I audited the JCA financial statements for the 2018/2019 financial year. The audit revealed that the accounting records were properly maintained, and financial transactions gave a true and fair view of the Agency's operations for the period ended March 31, 2019. JCA has taken steps to strengthen its IT environment to mitigate the risks that were identified and brought to management attention.</p>	

Head 20056: Tax Administration Jamaica

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.82. During the period, I completed the audit of the Tax Administration Jamaica (TAJ) Appropriation Accounts for the 2021/2022 financial year. The audit revealed a generally satisfactory state of affairs. However, TAJ was encouraged to strengthen the controls over the payment of salaries to reduce the risk of overpayments and financial losses. For the financial year 2021/22, TAJ overpaid salaries totalling \$13.221 million to 497 employees. This is in addition to the prior year's overpayment balance of \$1.58 million to 21 employees. At the time of reporting, TAJ successfully recovered most of the sums overpaid and advised that mitigating steps have been implemented to reduce the level of compensation overpayments.</p> <p>Recommendation</p> <p>3.2.83. TAJ was advised to undertake an investigation to identify the root causes for the deficiencies identified, implement effective internal controls to prevent reoccurrence of overpayments and recover all outstanding amounts.</p>	\$100,000

Head 26000: Private Security Regulation Authority (PSRA)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.84. During the period under review, I completed the audit of the 2020/2021 financial statements of the Private Security Regulation Authority. The financial statements reflected a fair representation of the transactions of the Authority and complied with the International Public Sector Accounting Standards (IPSAS) Cash Basis.</p>	

Head 26022: Police Department

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Outstanding Appropriation Accounts</p> <p>3.2.85. 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 period. The statements should in respect of each head of estimates,</p>	<p>\$152.2 billion</p>

include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.

3.2.86. The Department's Accounting Officer did not submit three Appropriation Accounts representing an accumulated budgetary allocation of approximately \$152.2 billion (*Table 18*) for the financial years 2020/2021 to 2022/2023 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. Management subsequently indicated that the Police Department has taken the necessary steps to complete and submit the outstanding Appropriation Accounts.

Table 18: Budgetary Allocation to the Police Department

Financial Year	Approved Budget [Gross] (\$)
2022/2023	62,496,462,000
2021/2022	47,002,734,000
2020/2021	42,735,333,000
TOTAL	152,234,529,000

Head 26024: Department of Correctional Services (DCS)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Unapproved Excess Expenditure</p> <p>3.2.87. During the period under review, I completed the audit of the 2017/2018 Appropriation Accounts of the Department of Correctional Services (DCS). The audit revealed that there was a breakdown in the Department's commitment planning and control system resulting in excess expenditure on six Objects totalling \$361,692,209.95. Though the DCS had prepared a request for approval of virement, there is no evidence that the Permanent Secretary gave approval for the reallocation of funds to cover these excesses.</p> <p>3.2.88. Management was advised to strengthen the Department's system of commitment planning and control to ensure that funds are available before expenditure is incurred in order to prevent excess expenditure and the unauthorized reallocation of funds. The Accounting Officer indicated that steps have since been taken to strengthen the internal controls to reduce the risk of recurrence.</p> <p>Outstanding Appropriation Accounts</p> <p>3.2.89. 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 period. The statements should in respect of each</p>	<p>\$361.69 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE												
RESOURCE MANAGEMENT													
head of estimates, include an Appropriation Account for expenditure as against approved estimates and explanatory statements for major variations.	\$36.9 billion												
<p>3.2.90. The Department’s Accounting Officer did not submit four Appropriation Accounts representing an accumulated budgetary allocation of approximately \$36.9 billion (<i>Table 19</i>) for the financial years 2019/2020 to 2022/2023 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. Management subsequently advised that the 2022/2023 Appropriation Accounts are being prepared while the Accounts for the financial years 2019/2020 to 2021/2022 were submitted to the Internal Audit Unit for review. The Accounting Officer further indicated that all outstanding Accounts will be submitted after the Internal Audit Unit has completed its review.</p>													
<p>Table 19: Budgetary Allocation to the DCS</p> <table><tr><th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr><tr><td>2022/2023</td><td>11,774,121,000</td></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>TOTAL</td><td>36,935,041,000</td></tr></table>		Financial Year	Approved Budget [Gross] (\$)	2022/2023	11,774,121,000	2021/2022	8,673,524,000	2020/2021	8,587,870,000	2019/2020	7,899,526,000	TOTAL	36,935,041,000
Financial Year	Approved Budget [Gross] (\$)												
2022/2023	11,774,121,000												
2021/2022	8,673,524,000												
2020/2021	8,587,870,000												
2019/2020	7,899,526,000												
TOTAL	36,935,041,000												

Head 26053: Passport Immigration and Citizenship Agency (PICA)

ISSUE/CONCERNS		FINANCIAL EXPOSURE
RESOURCE MANAGEMENT		
<p>3.2.91. During the period under review, I undertook the audit of the 2014/2015 financial statements of the Passport, Immigration and Citizenship Agency (PICA). The weaknesses identified were brought to management's attention for the necessary corrective actions.</p>		

Head 26057: Institute of Forensic Science and Legal Medicine

ISSUE/CONCERNS		FINANCIAL EXPOSURE
RESOURCE MANAGEMENT		
<p>Outstanding Appropriation Accounts</p> <p>3.2.92. 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</p>		\$5 billion

ISSUE/CONCERNS	FINANCIAL EXPOSURE																
<p>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>3.2.93. The Institute's Accounting Officer did not submit six Appropriation Accounts representing an accumulated budgetary allocation of approximately \$5 billion (<i>Table 20</i>) for the financial years 2017/2018 to 2022/2023 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. Management indicated that the delays were due to "<i>staffing challenges and constraints</i>". However, steps have since been taken to engage an accountant to complete the outstanding Appropriation Accounts.</p> <p>Table 20: Budgetary Allocation to IFSLM</p> <table> <tr> <th>Financial Year</th><th>Approved Budget (\$)</th></tr> <tr> <td>2022/2023</td><td>1,141,215,000</td></tr> <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>Total</td><td>5,006,252,000</td></tr> </table>	Financial Year	Approved Budget (\$)	2022/2023	1,141,215,000	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	Total	5,006,252,000	
Financial Year	Approved Budget (\$)																
2022/2023	1,141,215,000																
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																
Total	5,006,252,000																

Head 28000: Ministry of Justice-Serious Organized Crime and Anti-Corruption Programme (SOCAP), Phase 2 of the Unification of the Prosecutorial Services Jamaica Project

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.94. The SOCAP Project is a joint initiative between the Ministry of Justice and the Office of the Director of Public Prosecutions in Jamaica, with the aim of enhancing the quality and effectiveness of prosecutorial services. The Project received a grant of £1 Million from the FDCO for a period of two years, starting from August 2020. The grant was intended to help the Ministry of Justice improve the court system's capacity to handle serious and complex criminal cases in a timely and fair manner. However, the Project encountered several difficulties due to the COVID-19 pandemic and the slow pace of implementation. As a result, the funding was reduced to £650,000 and some activities were rescheduled.</p> <p>3.2.95. The audit of the Project's financial statements for the year ending March 31, 2022, found a satisfactory state of affairs, but also noted that eight key activities were behind schedule.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Recommendation</p> <p>3.2.96. The Project requires regular oversight and problem-solving to meet its goals and deadlines. Management should establish suitable systems that will facilitate this process and ensure the Project's success.</p> <p>3.2.97. Our recommendation was accepted by the Accounting Officer, who subsequently indicated that the Ministry has taken steps to improve the oversight of the Project to ensure that the remaining project activities are completed without further delays.</p>	

Head 30000: Ministry of Foreign Affairs and Foreign Trade

ISSUE/CONCERNS	FINANCIAL EXPOSURE								
RESOURCE MANAGEMENT									
<p>Outstanding Appropriation Accounts</p> <p>3.2.98. 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 each 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>3.2.99. The Ministry's Accounting Officer did not submit two Appropriation Accounts representing an accumulated budgetary allocation of approximately \$10.4 billion (<i>Table 21</i>) for the financial years 2021/2022 to 2022/2023 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. Management subsequently advised that the Ministry has been actively seeking to resolve the systemic issues that have prevented the timely submission of Appropriation Accounts and other key external reports. The Accounting Officer indicated that the two main challenges affecting the performance of the Finance and Accounts Division are the highly manual accounting processes and inadequate human resources. However, the Ministry has made some progress in addressing these challenges. Consequently, management has committed to finalising the outstanding Appropriation Accounts for submission as soon as possible.</p> <p>Table 21: Budgetary allocation to the MFAFT</p> <table> <tr> <th>Financial Year</th><th>Approved Gross Budget (\$)</th></tr> <tr> <td>2022/2023</td><td>5,750,755,000</td></tr> <tr> <td>2021/2022</td><td>4,638,457,000</td></tr> <tr> <td>Total</td><td>10,389,212,000</td></tr> </table>	Financial Year	Approved Gross Budget (\$)	2022/2023	5,750,755,000	2021/2022	4,638,457,000	Total	10,389,212,000	<p>\$10.4 billion</p>
Financial Year	Approved Gross Budget (\$)								
2022/2023	5,750,755,000								
2021/2022	4,638,457,000								
Total	10,389,212,000								

Head 40000: Ministry of Labour and Social Security

ISSUE/CONCERNS			FINANCIAL EXPOSURE																																
Resource Management																																			
<p>3.2.100. During the period, I audited the 2010/2011 Capital A and 2009/2010 Recurrent Appropriation Accounts for the the Ministry of Labour and Social Security (MLSS). The audit revealed that the Appropriation Accounts were prepared in all material respect in keeping with the Financial Administration and Audit Act.</p> <p>Regulatory breach in the submission of Appropriation Accounts</p> <p>3.2.101. Section 24 (l) of the FAA Act requires accounting officers to submit the financial statements within four months after the end of the financial year. However, up to the time of reporting the MLSS did not submit six Appropriation Accounts for the FYs 2011/12 to 2012/13 and 2019/20 to 2022/23.</p> <p>3.2.102. The Ministry subsequently advised that they are far advanced in the preparation and review of the outstanding Appropriation Accounts and has committed to the submission of the Capital B Appropriation Accounts by January 2024.</p> <p>Recommendation</p> <p>3.2.103. The Appropriation Accounts are essential documents that show how the \$53.44 billion in public funds approved by Parliament have been spent and managed. (Figure 5). The MLSS has failed to produce and submit these accounts within the legal timeframe, which is a serious breach of accountability and transparency. The MLSS should urgently determine the reasons for this delay and establish a reliable system that will ensure the timely preparation and submission of the Appropriation Accounts in the future.</p> <p>Figure 5 – Outstanding Appropriation Accounts as at November 2023</p> <table><tr><th>Financial Year</th><th>Recurrent \$'000</th><th>Capital B \$'000</th><th>Approved Budgetary Allocation \$'000</th></tr><tr><td>2011/12</td><td>-</td><td>3,900,332.00</td><td>3,900,332.00</td></tr><tr><td>2012/13</td><td>-</td><td>3,742,605.00</td><td>3,742,605.00</td></tr><tr><td>2019/20</td><td>4,079,379.00</td><td>-</td><td>4,079,379.00</td></tr><tr><td>2020/21</td><td>4,035,986.00</td><td>-</td><td>4,035,986.00</td></tr><tr><td>2021/22</td><td>18,657,458.00</td><td>-</td><td>18,657,458.00</td></tr><tr><td>2022/23</td><td>19,024,278.00</td><td>-</td><td>19,024,278.00</td></tr><tr><td>Total</td><td></td><td></td><td>53,440,038.00</td></tr></table> <p><i>Source – AuGD records and Estimates of Expenditure</i></p>			Financial Year	Recurrent \$'000	Capital B \$'000	Approved Budgetary Allocation \$'000	2011/12	-	3,900,332.00	3,900,332.00	2012/13	-	3,742,605.00	3,742,605.00	2019/20	4,079,379.00	-	4,079,379.00	2020/21	4,035,986.00	-	4,035,986.00	2021/22	18,657,458.00	-	18,657,458.00	2022/23	19,024,278.00	-	19,024,278.00	Total			53,440,038.00	\$53.44 billion
Financial Year	Recurrent \$'000	Capital B \$'000	Approved Budgetary Allocation \$'000																																
2011/12	-	3,900,332.00	3,900,332.00																																
2012/13	-	3,742,605.00	3,742,605.00																																
2019/20	4,079,379.00	-	4,079,379.00																																
2020/21	4,035,986.00	-	4,035,986.00																																
2021/22	18,657,458.00	-	18,657,458.00																																
2022/23	19,024,278.00	-	19,024,278.00																																
Total			53,440,038.00																																

Head 41000: Ministry of Education, Youth

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.104. MoEY continues to breach the regulatory requirements in the preparation and submission of the Appropriation Accounts</p> <p>3.2.105. The MoEY is yet to present Appropriation Accounts for the nine-year period 2012-13 to 2018-19 and 2021/22 to 2022/23. Over the nine-year period, Parliament approved \$902 billion, (which represents 13.7 per cent of the national budget) for the management and administration of public education in Jamaica by the MoEY. The FAA Act requires the Accounting Officer to prepare and submit to the Minister and the Auditor General the Appropriation Account, setting out the expenditure for the year against the approved budgetary allocation⁵ four months after the fiscal year. The Auditor General is required by the said Act 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>3.2.106. In this regard, MoEY's failure to submit the Appropriation Accounts prevented the Auditor General's independent assessment of whether the MoEY spent the funds in accordance with the purpose for which it was approved. This also undermines good governance practice as it denies Parliament, the citizen of Jamaica and the MoFPS information to hold the management of the MoEY accountable on the use of public resources as well as to guide decisions on future budget approval.</p> <p>3.2.107. Subsequently, the Accounting Officer advised that the Ministry has taken steps to resolve the outstanding issues by engaging two Consultants to aid with the processing of the outstanding issues such as the Bank Reconciliations and the Appropriation Accounts backlog.</p> <p>Recommendation</p> <p>3.2.108. MoEY was reminded of the need to implement proper systems that will ensure the Appropriation Accounts are prepared and submitted in keeping with the statutory deadlines.</p>	

Table 22 Outstanding Appropriation Accounts and Approved Budget

Financial Year	Recurrent	Capital A	Capital B	Capital C	MoEY Total	Total National Budget	% MoEY to National Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2022/23	140,146,544			414,765	140,561,309	1,002,555,425	14.0
2021/22	118,116,045			768,403	118,884,448	893,048,002	13.3

⁵ Section 24(l) of the FAA Act, accounting officers are required to 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.

ISSUE/CONCERNS							FINANCIAL EXPOSURE
RESOURCE MANAGEMENT							
2020/21	110,053,814	-	-	633,292	110,687,106	850,329,299	13.0
2017/18	99,003,760	910,535	1,051,288	-	100,965,583	815,265,140	12.4
2016/17	91,736,047	1,050,909	1,547,266	-	94,334,222	592,743,903	15.9
2015/16	85,388,936	525,560	1,787,923	-	87,702,419	808,421,331	10.8
2014/15	81,859,742	537,000	1,406,814	-	83,803,556	539,311,875	15.5
2013/14	84,011,316	216,000	1,510,518	-	85,737,834	500,709,827	17.1
2012/13	79,155,517	497,217	1,711,094	-	81,363,828	602,531,232	13.5
Grand Total	887,497,695	6,362,559	6,393,425	1,816,460	902,070,139	6,604,916,034	13.7

Head 41000: Ministry of Education, Youth-Council of Community Colleges of Jamaica (CCCJ)

ISSUE/CONCERNS							FINANCIAL EXPOSURE
RESOURCE MANAGEMENT							
INFORMATION TECHNOLOGY							
<p>3.2.109. The audit of the accounting records and financial transactions of the Council of Community Colleges of Jamaica (CCCJ) for the financial year ended March 31, 2022, revealed the following matters:</p> <p>Weaknesses in the management of Receivables</p> <p>3.2.110. The CCCJ has been struggling with the problem of unpaid Receivables for a long time, despite adopting a Receivables and Debt Management Policy in December 2021. The total amount owed to the CCCJ increased by \$23.4 million, from \$20.9 million in 2020/2021 to \$44.3 million at March 31, 2022. Some of these debts date back to 2006.</p> <p>3.2.111. We also observed that the CCCJ's Advisory Board consisted of the principals of the colleges that had outstanding debts to the Council. However, the minutes of the Advisory Board meetings did not show any attempts by the members to settle their debts. Moreover, we found that in some cases, the CCCJ delayed invoicing the colleges for up to 3 months. Such delays in the collection process could impair the CCCJ's ability to recover the debts and affect its Cash Flow for various activities.</p> <p>3.2.112. Management subsequently advised that the Council decided that CCCJ should only invoice colleges upon receipt of their enrolment numbers and that continuous efforts are being made by the CCCJ team to remind member institutions to submit their enrolment numbers. Management further advised that the Colleges have communicated difficulties in collecting the receivables, which have impeded their ability to fulfil outstanding financial obligation to the CCCJ. Consequently, CCCJ has given additional time for the debts to be settled.</p> <p>Recommendation</p> <p>3.2.113. CCCJ was advised to implement effective measures to manage the Council's Account Receivables. To achieve this, the Council should intensify its efforts in the short</p>							\$44.3 million

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
INFORMATION TECHNOLOGY	
term and seek the assistance of its Parent Ministry to recover the outstanding amounts from the colleges.	

Head 41000: Ministry of Education and Youth-Early Childhood Commission (ECC)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.114. During the period i completed the audit of the Early Childhood Commission financial statements for the period ended March 31, 2022. The audit revealed the following matters of concern:</p> <p>Overpayments to Early Childhood Practitioners</p> <p>3.2.115. Despite previous reports, the issue of overpayments to Early Childhood Practitioners (ECP) persists. The ECC (Early Childhood Commission) implemented new controls to prevent the payment of subsidies to ECPs who have left the Early Childhood Institutions, but they are not effective. As of March 31, 2022, the total amount of overpayments to ECPs was \$36.55 million, some of which date back to 2011. This is a net increase of \$4.5 million from the previous period.</p> <p>3.2.116. The ECC attributed most of these overpayments on salary and subsidy payments made by both MoEY and ECC to staff of modernized ECIs, for the same period. Also, the inadequate budget to cover travel expenses affected the ECC's capacity to conduct visits to Early Childhood Institutions (ECIs) for providing technical support and monitoring the employment status of subsidy-paid Early Childhood Practitioners (ECPs).</p> <p>Uncollected Subsidy Payments and Unidentified Deposits</p> <p>3.2.117. The ECC continues to have challenges managing the process of subsidy payments to Early Childhood Institutions (ECIs). Consequently, the ECC had a deposit account which constitute subsidies amounting to \$49.91 million for several Early Childhood Institutions (ECIs) who do not have bank accounts to receive these funds. This includes amounts from as far back as 2014. Additionally, the ECC did not implement an effective system to reconcile unidentified deposits in a timely manner. This resulted in unidentified deposits of \$4.5million at March 2023.</p> <p>3.2.118. The ECC also advised that the Commission continues to provide the requisite support to ECIs to open and update commercial bank accounts by providing the ECI</p>	<p>\$36.55 million</p> <p>\$49.91 million \$4.5million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>operators with bank letters attesting to the school's registration status with the ECC. Also, steps are being taken to address the unidentified deposits.</p> <p>Recommendations</p> <p>3.2.119. Recovery of the overpayments to the ECPs becomes increasingly difficult to collect with the passage of time and could result in the loss of public funds. Therefore, the ECC was encouraged to continue its efforts to recover the outstanding amounts. The Commission was also advised to strengthen the system of controls over the payment of subsidies to Early Childhood Practitioners (ECPs) to ensure that ECPs are not paid after they have separated from the Early Childhood Institutions.</p>	

Head 41000: Ministry of Education and Youth - National Council on Education

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.120. The audit of the accounting records and financial transactions of the National Council on Education (NCE) for the 2019/2020 financial year revealed a satisfactory state of affairs except for the following:</p> <p>Absence of Internal Audit Oversight</p> <p>3.2.121. Up to the time of reporting the NCE had not filled the internal audit post. Consequently, there is no independent assurance that the accounting systems, internal controls, risk management and governance processes are operating effectively.</p> <p>3.2.122. The Accounting Officer subsequently advised that the delay in filling the position was due to the initial decision to subsume the operation of the NCE into Ministry of Education & Youth, as a division, which would eliminate the need for an internal audit position, since the Ministry already had one. However, having resolved the rationalization issue, the NCE will remain an independent agency. The NCE is in the process of developing a revised organizational structure that includes the addition of an Internal Auditor position. In the meantime, the NCE has asked the Ministry for budgetary support to hire an Internal Auditor on a contract basis for the next fiscal year, until the new structure is implemented.</p> <p>Recommendation</p> <p>3.2.123. The NCE was reminded of the need to strengthen the internal controls oversight of the Council's operations to mitigate the risk exposure.</p>	

Head 41000: Ministry of Education and Youth -Overseas Examinations Commission (OEC)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.124. The audit of the accounting records and financial transactions of the Overseas Examinations Commission (OEC) for the 2021/2022 financial year revealed a generally satisfactory state of affairs. The areas of concern noted during the audit were brought to management's attention for corrective action.</p>	

Head 42000: Ministry of Health and Wellness

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Failure to submit Appropriation Accounts</p> <p>3.2.125. Despite previous audit reports and Management most recent undertaking to the PAC in March 2023, up to the time of reporting, the MoHW is yet to present Appropriation Accounts for the financial years 2013/2014 to 2022/2023.</p> <p>3.2.126. Over the 10-year period 2013/2014 to 2022/2023, Parliament approved \$695 Billion or 9.1 per cent of the National Budget for the management and administration of the health sector by the MoHW. The FAA Act requires accounting officer to prepare and submit to the Minister and the Auditor General the Appropriation Account, setting out the expenditure for the year against the approved budgetary allocation⁶ four months after the fiscal year. The Auditor General is required by the said Act to audit the Appropriation Account 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>3.2.127. Therefore, the MoHW's failure to submit the Appropriation Accounts report prevented the Auditor General's independent assessment on whether the MoHW spent the funds in accordance with the purpose for which it was approved.</p> <p>3.2.128. Subsequent to my draft report, the Accounting Officer submitted 15 of the 22 Appropriation Accounts for Financial Year 2013/2014 to 2022/2023, which we received on December 6, 2023. However, these accounts did not meet the standards for submission as outlined in Section 8.17.6 (i) and (ii) of the FAA Instructions. The Chief Audit Executive did not sign off on the Appropriation Accounts report submitted due to inaccuracies. Further, two (2) of the Appropriation accounts were not accompanied by the required Statement of Explanation for cause of variances.</p>	

⁶ Section 24(I) of the FAA Act, accounting officers are required to 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.

ISSUE/CONCERNS							FINANCIAL EXPOSURE
RESOURCE MANAGEMENT							
<p>3.2.129. The Accounting Officer subsequently indicated that going forward, the Ministry of Health and Wellness will adhere to the July 31 deadline each year as stipulated by the FAA Act starting with Financial Year 2023/2024.</p> <p>Recommendation</p> <p>3.2.130. The Ministry of Health and Wellness was urged to adhere to the Law in the submission of the Appropriation accounts and to also correct the errors and resubmit the Appropriation Accounts, promptly for certification.</p>							
Table 23: MoHW Outstanding appropriation accounts and approved budget							
Financial Year	Recurrent \$'000	Capital A \$'000	Capital B \$'000	Capital C \$'000	Approved Budgetary allocation (\$'000)	Total National Budget \$'000	% MoHW to National Budget
2013/14	36,337,672	-	-	-	36,337,672	500,709,827	7.3
2014/15	40,367,831	-	-	-	40,367,831	539,311,875	7.5
2015/16	51,379,202	10,000	1,158,653	-	52,547,855	808,421,331	6.5
2016/17	55,466,427	28,262	1,598,728	-	57,093,417	592,743,903	9.6
2017/18	62,207,087	106,852	1,918,344	-	64,232,283	815,265,140	7.9
2018/19	66,689,676	-	1,898,908	-	68,588,584	802,563,141	8.5
2019/20	68,345,615	-	-	3,468,533	71,814,148	859,071,631	8.4
2020/21	78,897,495	-	-	2,938,452	81,835,947	850,329,299	9.6
2021/22	98,298,289	-	-	2,217,624	100,515,913	893,048,002	11.3
2022/23	118,419,657	-	-	3,866,579	122,286,236	1,002,555,425	12.2
TOTAL	676,408,951	145,114	6,574,633	12,491,188	695,619,886	7,664,019,574	9.1

Head 42035: Government Chemist

ISSUE/CONCERNS							FINANCIAL EXPOSURE
RESOURCE MANAGEMENT							
<p>Outstanding Appropriation Accounts</p> <p>3.2.131. Section 24I(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>							\$464.4 million

ISSUE/CONCERNS	FINANCIAL EXPOSURE																		
<p>3.2.132. The Department's Accounting Officer did not submit seven Appropriation Accounts representing an accumulated budgetary allocation of approximately \$464.4 million (<i>Table 24</i>) for the financial years 2015/2016, and 2017/2018 to 2022/2023 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>Table 24: Budgetary Allocation to the Government Chemist</p> <table> <tr> <th>Financial Year</th><th>Approved Budget (\$)</th></tr> <tr> <td>2022/2023</td><td>136,068,000</td></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>Total</td><td>464,418,000</td></tr> </table>	Financial Year	Approved Budget (\$)	2022/2023	136,068,000	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	Total	464,418,000	
Financial Year	Approved Budget (\$)																		
2022/2023	136,068,000																		
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																		
Total	464,418,000																		

Head 51000: Ministry of Agriculture, Fisheries and Mining - Jamaica 4H Clubs

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.133. During the period under review, I conducted the audits of the 2017/2018, 2018/2019 and 2019/2020 financial statements of the Jamaica 4-H Clubs. The audits revealed a generally satisfactory state of affairs. However, management was encouraged to strengthen the controls over biological assets and property, plant, and equipment to ensure that these assets are fairly presented in the financial statements. Management indicated that steps have since been taken to strengthen the relevant controls.</p>	

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

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
SERVICE DELIVERY	
<p>3.2.134. 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</p>	\$16.5 million

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Development, was expected to last for five years from March 28, 2018, to March 31, 2023. However, the project was granted a one-year extension to March 31, 2024.</p> <p>3.2.135. The audit of the accounting records and financial transactions of the PCCR project for the financial year ended March 31, 2023, revealed that the project achieved eight of its eleven planned targets for the period. Of the three remaining targets, one did not start, and two were work in progress. Notwithstanding the current year achievement, the Project Implementation Unit has only utilized US\$2,316,144.89 or approximately 48% of the total grant funding of US\$4,875,000 at the end of the 2022/2023 financial year. Additionally, the World Bank assessed the project development objective as “Moderately Unsatisfactory” because an extension was required to complete key activities to achieve the project development objective indicator targets.</p> <p>3.2.136. Management’s failure to complete the project within the original timeline will result in the Government of Jamaica having to incur additional expenditure of approximately US\$109,385.13 (J\$16,507,627.18), representing compensation and other administrative expenses, during the 2023/2024 financial year.</p> <p>3.2.137. Management was advised to take the necessary steps to ensure that all outstanding activities are completed within the one-year extension that has been granted by the World Bank.</p> <p>3.2.138. Management indicated that the three outstanding activities will be completed by the end of the financial year.</p>	

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

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.139. During the period, I completed the audit of Jamaica Intellectual Property Office’s (JIPO) financial statements for the period ended March 31, 2022. The audit revealed a generally satisfactory state of affairs. However, JIPO’s internal review process needs to be enhanced to avoid overpayments and to identify deposits promptly.</p> <p>3.2.140. JIPO subsequently indicated that steps have been taken to strengthen the relevant controls.</p>	

Head 53038: Companies Office of Jamaica

ISSUE/CONCERNS	FINANCIAL EXPOSURE																						
RESOURCE MANAGEMENT																							
<p>Outstanding Appropriation Accounts</p> <p>3.2.141. 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 period. 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>3.2.142. Though the Companies Office Jamaica (COJ) has submitted its accrual financial statements up to the 2019/2020 financial year, the Agency's Accounting Officer did not submit 10 Appropriation Accounts representing an accumulated budgetary allocation of approximately \$4.7 billion (<i>Table 25</i>) for the financial years 2013/2014 to 2015/2016 and 2017/2018 to 2022/2023 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 finalising the Appropriation Accounts was due to human resource challenges and the Agency's inability to attract and fill vacant positions. However, the Agency will utilize its current resources to finalise the accounts for submission.</p> <p>Table 25: Budgetary Allocation to the Companies Office of Jamaica</p> <table> <tr> <th>Financial Year</th><th>Approved Budget [Gross] (\$)</th></tr> <tr> <td>2022/2023</td><td>943,922,000</td></tr> <tr> <td>2021/2022</td><td>745,541,000</td></tr> <tr> <td>2020/2021*</td><td>568,262,000</td></tr> <tr> <td>2019/2020</td><td>483,604,000</td></tr> <tr> <td>2018/2019</td><td>506,270,000</td></tr> <tr> <td>2017/2018</td><td>435,949,000</td></tr> <tr> <td>2015/2016</td><td>398,798,000</td></tr> <tr> <td>2014/2015</td><td>330,140,000</td></tr> <tr> <td>2013/2014</td><td>317,170,000</td></tr> <tr> <td>TOTAL</td><td>4,729,656,000</td></tr> </table> <p>*Heads 50038 & 53038</p>	Financial Year	Approved Budget [Gross] (\$)	2022/2023	943,922,000	2021/2022	745,541,000	2020/2021*	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	TOTAL	4,729,656,000	\$4.7 billion
Financial Year	Approved Budget [Gross] (\$)																						
2022/2023	943,922,000																						
2021/2022	745,541,000																						
2020/2021*	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																						
TOTAL	4,729,656,000																						

Head 72000: Ministry of Local Government and Community Development

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.143. During the period, I audited the Recurrent and Capital C Appropriation Accounts of the Ministry of Local Government and Community Development (MLGCD) for the 2021/2022 financial year. The audit revealed that the MLGCD maintained the accounting records in keeping with GoJ established guidelines and, the Appropriation Accounts were prepared in all material respect in accordance with the Financial Administration and Audit Act.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.144. However, the MLGCD faced challenges in managing deposits effectively, which exposed it to the risk of losing funds or spending them outside the GoJ's budgetary control process. We recommended that the MLGCD establish strong systems to ensure that funds received from other Government Agencies and Ministries for special projects related to the Ministry's portfolio or to address adverse conditions are used promptly or returned to the Consolidated Fund to reduce the risk exposure.</p> <p>3.2.145. MLGCD subsequently outlined corrective measures to improve the oversight and completion of projects under various agreements, to ensure that funds received are utilized in accordance with the agreed purposes and deadlines. The measures outlined included:</p> <ul style="list-style-type: none"> • The establishment of a project management unit that will oversee the monitoring and closing out process of projects. • Review of the Deposit Bank Account balances every fourth quarter to identify completed projects/activities and determine if funds need to be returned or surrendered. • Quarterly Status Reports to inform the Permanent Secretary of the balances in the Deposit Account and the projects activities. 	

Head 72000: Ministry of Local Government and Community Development-Social Development Commission (SDC)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.146. During the period under review, I audited the accounting records and financial transactions of the Social Development Commission for the 2020/2021 financial year and the following matters of concern were noted:</p> <p>Weak control over Fixed Assets</p> <p>3.2.147. There was a breakdown in the controls over fixed assets as the fixed asset register presented did not support the balance of \$278,311,584 reported in the Financial Statements, Also, the register did not include detailed information on all assets purchased, prior to April 2011. The SDC did not conduct periodic or annual inspections of assets to determine their existence and/or condition. Poorly maintained asset records not only expose the Commission to the risk of delayed loss detection, but also constitutes a breach of the FAA Act and GOJ guidelines on the management of assets.</p> <p>Inadequate Management of Accounts Payables and Receivables</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.148. SDC had an increased exposure of losses due to inadequate supervisory reviews and the Commission's failure to conduct periodic reconciliations of its accounts. Consequently, as at March 31, 2021, SDC's Accounts Payables and Receivables reflected long outstanding balances of \$55.2 million and \$7.1 million, respectively. Additionally, SDC was exposed to an increased risk of management override of controls due to the absence of adequate segregation within its Accounts Unit as a senior officer within the Finance Department also had Administrator access to the S Commission's accounting software.</p> <p>3.2.149. SDC was advised to implement proper systems that will ensure that the fixed asset register, payables and receivables records are maintained in a manner which accurately supports the balances reflected in the financial statements and mitigate the Commission's exposure, whilst adhering to the requirements of the IPSAS and GOJ regulations.</p> <p>3.2.150. The Accounting Officer subsequently advised that the management processes within the Accounting Unit have been segregated and steps will be taken to reconcile and make the necessary adjustments to the records consistent with GOJ requirements.</p>	

Head 72000: Ministry of Local Government and Community Development-Municipal Corporations Backlog Audit Project

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.151. 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. For the period under review, I conducted the audits of forty-six financial statements. Of the forty-six statements, twenty-four were certified, twelve were at the final review stage, four were with management for signature and resubmission, and six were work-in-progress.</p> <p>Limitation of scope due to the absence of adequate supporting documentation/records</p> <p>3.2.152. For the period under review, I issued twenty- four modified audit opinions (Table 26). These included twenty-two "Disclaimer of Opinions" and two Qualified "Except for" Opinions due to the absence of sufficient appropriate evidence to support the balances in the financial statements. Section 24A (2) of the Financial Administration and Audit (FAA) Act states <i>"It shall be the duty of every accountable officer to keep and present in accordance with this Act and any regulations made or directions given thereunder proper and accurate accounts of all transactions entered into by him and all public moneys or other property held by him"</i>. However, the management of each Corporation did not provide sufficient appropriate accounting records to support the transactions, account balances, and disclosures in the Financial Statements due to a breakdown in the controls</p>	

ISSUE/CONCERNS					FINANCIAL EXPOSURE
RESOURCE MANAGEMENT					
<p>over the preservation and security of the accounting records as required by the FAA Act. As a result, I was unable to perform key audit procedures to determine whether the Financial Statements were prepared, in all material respects, in accordance with the applicable financial reporting framework. The Permanent Secretary has since advised that steps have been taken to improve compliance and provide relevant support to the Municipal Corporations where necessary.</p>					
Table 26					
	Municipal Corporations	Years	No. of Statements	Financial Exposure (\$)	
				Unsupported Expenditure	Unsupported Revenue
	Manchester	2013/2014 - 2016/2017	4	2,556,250,475	33,234,937
	Portland	2012/2013 - 2017/2018	6	262,947,381	427,454,555
	Clarendon	2010/2011	1	375,239,926	226,206,061
	Portmore City Municipality	2010/2011 - 2013/2014	4	955,420,500	989,079,460
	St. Thomas	2010/2011	1	226,762,006	0
	St. James	2006/2007 - 2013/2014	8	5,645,315,218	3,958,537,294
			24	10,021,935,506	5,634,512,307
<p>Accrual IPSAS Implementation</p> <p>3.2.153. Section 6 (2) of the Local Government (Financing and Financial Management) Act, which was passed in 2016 stipulates that, <i>“the accounts of a Local Authority shall be prepared based on the International Public Sector Accounting Standards adopted by the Government of Jamaica”</i>. Section 7 (1) further states, <i>“in the management of its finances, a Local Authority shall –(a) employ an accrual accounting system based on the International Public Sector Accounting Standards adopted by the Government of Jamaica.”</i> This became effective for annual periods ended March 31, 2017. Notwithstanding the statutory requirement, the Corporations have not yet implemented full accrual based IPSAS accounting. Failure to comply with the requirements of the Local Government (Financing and Financial Management) Act to implement accrual IPSAS may result in a modified audit opinion for the relevant financial years. The Permanent Secretary subsequently advised that steps are being taken to procure an accounting software for use in all the Municipal Corporations to facilitate the implementation of accrual IPSAS.</p> <p>Outstanding Financial Statements – Municipal Corporations</p> <p>3.2.154. Section 27 (1) of the Local Government (Financing and Financial Management) Act states: <i>“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.”</i> Section 27 (2) (a) states: <i>“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</i></p>					

ISSUE/CONCERNS		FINANCIAL EXPOSURE
RESOURCE MANAGEMENT		
<p><i>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...". At the time of this report, the responsible officers have not submitted a total of 81 financial statements (Table 27) as required by the Act.</i></p>		
Table 27: Outstanding Financial Statements – Municipal Corporations		
Municipal Corporations	Years	Total outstanding
St. Mary Municipal Corporation	2015/2016 - 2022/2023	8
Portmore City Municipality	2020/2021 - 2022/2023	3
Hanover Municipal Corporation	2019/2020 - 2022/2023	4
Westmoreland Municipal Corporation	2014/2015 - 2022/2023	9
St. Thomas Municipal Corporation	2013/2014 - 2022/2023	10
St. James Municipal Corporation	2017/2018 - 2022/2023	6
Portland Municipal Corporation	2021/2022 - 2022/2023	2
St. Elizabeth Municipal Corporation	2021/2022 - 2022/2023	2
Clarendon Municipal Corporation	2016/2017 - 2022/2023	7
Kingston and St. Andrew Municipal Corporation	2016/2017 - 2022/2023	7
Trelawny Municipal Corporation	2020/2021 - 2022/2023	3
St. Catherine Municipal Corporation	2018/2019 - 2022/2023	5
Manchester Municipal Corporation	2022/2023	1
St. Ann Municipal Corporation	2009/2010 - 2022/2023	14
Total Financial Statement Outstanding		81
Table 28: Responses from the Municipal Corporations		
Municipal Corporations	Responses	
St. Mary Municipal Corporation	<ul style="list-style-type: none"> 2015/2016 – will be submitted to the AuGD by the end of January 2024 – 90% completed. The St. Mary Municipal Corporation does not have dedicated/specific internal personnel to work on the statements. Frequent staff turnover have negatively impacted the speedier reduction of the outstanding statements as new staff takes time to be trained to carry out the related tasks needed. We have received approval to engage someone on contract to upload the information so that our consultant can compile the backlog statements. 2016/2017 - 10 % completed as at November 30, 2023, to be completed by the end of June 2024. 2017/2018 – to be completed by January 2025. 2019/2020- 2022/2023 – two statements per year proposed to be submitted. 	
Westmoreland Municipal Corporation	<ul style="list-style-type: none"> 2013/2014 is being reviewed by the AuGD. 2014/2015 will be resubmitted to the AuGD. 2015/2016 and 2016/2017 will be completed by March 31, 2024. <p>Work will commence to complete the financial statements for the years 2017/2018 - 2021/2022 in the FY 2024/2025.</p>	

ISSUE/CONCERNS		FINANCIAL EXPOSURE
RESOURCE MANAGEMENT		
St. James Municipal Corporation	<ul style="list-style-type: none"> 2016/2017 – these are being audited. 2017/2018 – will be submitted by January 2024. 2018/2019 – 2022/2023- will be completed by the second quarter of the F/Y 2024/2025. 	
St. Elizabeth Municipal Corporation	<ul style="list-style-type: none"> St. Elizabeth Municipal Corporation is making every effort to submit these statements by March 31, 2024. In meeting this commitment, St. Elizabeth Municipal Corporation has engaged external support to correct concerns raised by the AuGD in prior years, which will affect these statements (2021/2022 – 2022/2023). 	
Clarendon Municipal Corporation	<ul style="list-style-type: none"> 2016/2017 – 2017/2018 – March 2024. 2018/2019 – 2019/2020 – June 2024. 2020/2021 – 2021/2022 – September 2024. CMC agrees that these Financial Statements are outstanding. The CMC has outsourced the preparation of its Financial Statements and has so far received the 1st draft of Financial Statements for 2016/2017 – 2021/2022. An in-depth analysis will be undertaken to determine the correctness of these statements and make recommendations for adjustments, as necessary. CMC is in active dialogue with MLGCD to finalize the implementation of the new organizational structure. The proposed structure provides for the relevant suitable personnel to be employed. MLGCD has initiated the bidding process for the upgrade to the FMIS within all local authorities, which will significantly improve the financial reporting information necessary to facilitate future audits. Due to the limitations of the General Leger, steps will be taken to employ someone on a temporary basis to prepare Audit Schedules to facilitate the audit exercise until the new organizational structure is implemented. 	
Trelawny Municipal Corporation	The Trelawny Municipal Corporation is working on the final accounts for these financial years for submission to the AuGD, these are to be completed for March 2024.	
St. Catherine Municipal Corporation	<ul style="list-style-type: none"> 2018/2019 – will be sent to MLGCD by the end of January 2024. 2019/2020 – currently being prepared, to be forwarded to MLGCD by the end of April 2024. 2020/2021 – will be completed by September 2024. 2021/2022 – 2022/2023 – should be completed by March 2025. 	
Manchester Municipal Corporation	The delay in submitting these Financial Statements is due to the Corporation making several adjustments to ensure compliance with IPSAS in accordance with the Local Government (Financing and Financial Management) Act, 2016. It is however expected that this will be completed by the end of this FY 2023/2024.	
St. Ann Municipal Corporation	<ul style="list-style-type: none"> 2009/2010 – to be completed by the end of December 2023. 2010/2011 – projected for completion by March 31, 2024. <p>Approval received to engage persons on contract to complete 14 statements on a timely basis.</p>	
Portmore City Municipality	The Municipality has committed to complete all outstanding statements by June 2024.	

ISSUE/CONCERNS		FINANCIAL EXPOSURE
RESOURCE MANAGEMENT		
Hanover Municipal Corporation	The Hanover MC advised that within four months it will provide dedicated manpower to ensure the completion of all outstanding financial statements.	
St. Thomas Municipal Corporation	No response	
Portland Municipal Corporation	Reports for 2021/2022 will be submitted by March 31, 2024, and 2022/2023 by June 30, 2024.	
Kingston and St. Andrew Municipal Corporation	Reports for 2017/2018 will be submitted by the end of February 2024. Reports for 2018/2019 to present will be prepared by October 2024.	

APPENDICES



Appendix A

Outstanding Statements (Financial and Appropriation Accounts)

Appropriation Accounts	Financial Statements of Public Bodies	Total
184	207	391

Chart A1

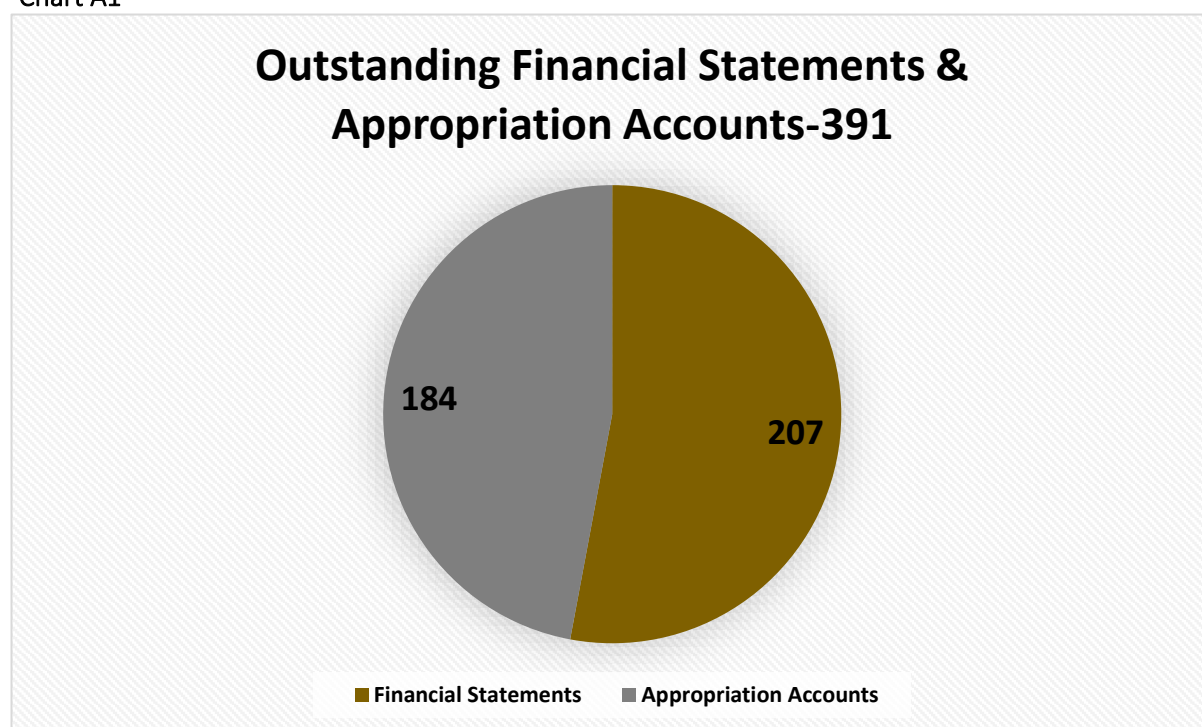


Table A1

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total Outstanding
	Forestry Department (*)	Accrual basis	2019/2020 - 2022/2023	4
	Bath Fountain Hotel and Spa	Cash basis	2022/2023	1
	Milk River Hotel and Spa	Cash basis	2022/2023	1
	Private Security Regulation Authority	Cash basis	2022/2023	1
	National Environment and Planning Agency (*)	Accrual Basis	2021/2022 - 2022/2023	2
	Companies Office of Jamaica	Accrual basis	2020/2021 - 2022/2023	3
	Registrar General's Department (*)	Accrual Basis	2022/2023	1
	Jamaica Customs Agency (*)	Accrual Basis	2022/2023	1
	National Commission for Science & Technology	Cash Basis	2015/2016 - 2022/2023	8
	Jamaica Intellectual Property Office	Accrual Basis	2022/2023	1

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total Outstanding
	National Land Agency (*)	Accrual Basis	2019/2020 - 2022/2023	4
	Passport, Immigration and Citizenship Agency (*)	Accrual basis	2018/2019 - 2022/2023	5
	Capital Development Fund	Accrual basis	2017/2018 - 2022/2023	6
	Firearm Licensing Authority	Accrual basis	2020/2021 - 2022/2023	3
	Pesticides Control Authority	Accrual basis	2015/2016 - 2022/2023	8
	National Council on Education	Accrual Basis	2020/2021 - 2022/2023	3
	Council of Community Colleges of Jamaica	Accrual Basis	2022/2023	1
	Anti-Dumping and Subsidies	Accrual Basis	2022/2023	1
	Financial Investigation Division	Accrual Basis	2021/2022 - 2022/2023	2
	Institute of Jamaica	Accrual basis	2017/2018 - 2022/2023	6
	Jamaica 4-H Clubs	Accrual basis	2021/2022 - 2022/2023	2
	Jamaica National Heritage Trust	Accrual basis	2010/2011 - 2022/2023	13
	Jamaica Veterinary Board	Cash Basis	2020/2021-2022/2023	3
	Land Administration Management Programme	Accrual Basis	2015/2016 - 2017/2018	3
	National Council on Drug Abuse	Accrual basis	2012/2013 - 2022/2023	11
	National Gallery of Jamaica	Accrual basis	2016/2017 - 2022/2023	7
	Export Division	Accrual Basis	2022/2023	1
	National Insurance Scheme	Accrual Basis	2020/2021 - 2022/2023	3
	National Youth Services	Accrual basis	2014/2015 - 2019/2020	6
	Pharmacy Council of Jamaica	Accrual basis	2021/2022 - 2022/2023	2
	Police Civilian Oversight Authority	Accrual basis	2020/2021 - 2022/2023	3
	Social Development Commission	Accrual Basis	2021/2022 - 2022/2023	2
	National Library of Jamaica	Cash Basis	2019/2020 - 2022/2023	4
	Jamaica Library Service	Accrual Basis	2019/2020 - 2022/2023	4
	Clarendon Municipal Corporation	Modified Accrual Basis	2016/2017 - 2022/2023	7
	Hanover Municipal Corporation	Modified Accrual Basis	2019/2020 - 2022/2023	4
	Kingston & St. Andrew Municipal Corporation	Modified Accrual Basis	2016/2017 - 2022/2023	7
	Manchester Municipal Corporation	Modified Accrual Basis	2022/2023	1
	Portland Municipal Corporation	Modified Accrual Basis	2021/2022 - 2022/2023	2
	Portmore Municipal Council	Modified Accrual Basis	2020/2021 - 2022/2023	3
	St. Ann Municipal Corporation	Modified Accrual Basis	2009/2010 - 2022/2023	14
	St. Catherine Municipal Corporation	Modified Accrual Basis	2018/2019 - 2022/2023	5
	St. Elizabeth Municipal Corporation	Modified Accrual Basis	2021/2022 - 2022/2023	2

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total Outstanding
	St. James Municipal Corporation	Modified Accrual Basis	2017/2018 - 2022/2023	6
	St. Mary Municipal Corporation	Modified Accrual Basis	2015/2016 - 2022/2023	8
	St. Thomas Municipal Corporation	Modified Accrual Basis	2013/2014 - 2022/2023	10
	Trelawny Municipal Corporation	Modified Accrual Basis	2020/2021 - 2022/2023	3
	Westmoreland Municipal Corporation	Modified Accrual Basis	2014/2015 - 2022/2023	9
01000	His Excellency the Governor General and Staff	Appropriation Accounts	2022/2023	1
02000	Houses of Parliament	Appropriation Accounts	2018/2019 - 2022/2023	5
03000	Office of the Public Defender	Appropriation Accounts	2020/2021 - 2022/2023	3
06000	Office of the Services Commission	Appropriation Accounts	2022/2023	1
15000B	Office of the Prime Minister	Appropriation Accounts	2018/2019	1
15000C	Office of the Prime Minister	Appropriation Accounts	2019/2020; 2021/2022	2
15020	Registrar General's Department (*)	Appropriation Accounts	2020/2021 - 2022/2023	3
19046	Forestry Department (*)	Appropriation Accounts	2013/2014 - 2022/2023	12
19047	National Land Agency (*)	Appropriation Accounts	2019/2020- 2022/2023	4
19048	National Environmental Planning Agency (*)	Appropriation Accounts	2021/2022 - 2022/2023	2
19050	National Works Agency (*)	Appropriation Accounts	2022/2023	1
20000	Ministry of Finance and the Public Service	Appropriation Accounts	2021/2022 - 2022/2023	2
20000C	Ministry of Finance and the Public Service	Appropriation Accounts	2021/2021 - 2022/2023	3
20011	Accountant General's Department	Appropriation Accounts	2021/2022-2022/2023	2
20012	Jamaica Customs Agency (*)	Appropriation Accounts	2014/2015 - 2022/2023	9
20017	Public Debt (Amortisation)	Appropriation Accounts	2018/2019; 2020/2021 - 2022/2023	4
20018	Public Debt (Interest)	Appropriation Accounts	2019/2020 - 2022/2023	4
20019	Pensions	Appropriation Accounts	2013/2014 - 2022/2023	10
26000	Ministry of National Security	Appropriation Accounts	2022/2023	1
26000C	Ministry of National Security	Appropriation Accounts	2022/2023	1
26022	Police Department	Appropriation Accounts	2020/2021 - 2022/2023	3
26024	Department of Correctional Services	Appropriation Accounts	2019/2020 - 2022/2023	4

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total Outstanding
26057	Institute of Forensic Science & Legal Medicine	Appropriation Accounts	2017/2018 - 2022/2023	6
28027	Resident Magistrates' Courts/Parish Courts	Appropriation Accounts	2013/2014; 2015/2016	2
28029	Supreme Court	Appropriation Accounts	2013/2014; 2015/2016	2
28032	Trustee in Bankruptcy	Appropriation Accounts	2014/2015 - 2017/2018	4
28058	Judiciary	Appropriation Accounts	2022/2023	1
30000	Ministry of Foreign Affairs & Foreign Trade	Appropriation Accounts	2021/2022 - 2022/2023	2
40000	Ministry of Labour & Social Security	Appropriation Accounts	2019/2020- 2022/2023	4
40000A	Ministry of labour & Social Security	Appropriation Accounts	2012/2013	1
40000B	Ministry of labour & Social Security	Appropriation Accounts	2011/2012-2012/2013	2
40000C	Ministry of labour & Social Security	Appropriation Accounts	2022/2023	1
41000	Ministry of Education and Youth	Appropriation Accounts	2012/2013-2017/2018; 2020/2021-2022/2023	9
41000A	Ministry of Education and Youth	Appropriation Accounts	2012/2013 - 2017/2018	6
41000B	Ministry of Education and Youth	Appropriation Accounts	2012/2013 - 2017/2018	6
41000C	Ministry of Education and Youth	Appropriation Accounts	2020/2021 - 2022/2023	3
41051	Child Protection and Family Services Agency (formerly Child Development Agency) (*)	Appropriation Accounts	2018/2019; 2022/2023	2
42000	Ministry of Health and Wellness	Appropriation Accounts	2013/2014 - 2022/2023	10
42000A	Ministry of Health and Wellness	Appropriation Accounts	2015/2016 - 2018-2019	4
42000B	Ministry of Health and Wellness	Appropriation Accounts	2015/2016 - 2018/2019	4
42000C	Ministry of Health and Wellness	Appropriation Accounts	2019/2020 - 2022/2023	4
42034	Bellevue Hospital	Appropriation Accounts	2015/2016 - 2018/2019; 2020/2021 - 2022/2023	7
42035	Government Chemist	Appropriation Accounts	2015/2016; 2017/2018 - 2022/2023	7
46000	Ministry of Culture, Gender, Entertainment & Sport	Appropriation Accounts	2022/2023	1
50000	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Accounts	2018/2019; 2020/2021	2
50000A	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Accounts	2018/2019	1
50000B	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Accounts	2018/2019	1
50000C	Ministry of Industry, Commerce, Agriculture & Fisheries	Appropriation Accounts	2020/2021	1
51000	Ministry of Agriculture & Fisheries	Appropriation Accounts	2022/2023	1

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total Outstanding
53000	Ministry of Industry, Investment and Commerce	Appropriation Accounts	2022/2023	1
53000C	Ministry of Industry, Investment and Commerce	Appropriation Accounts	2022/2023	1
5300	Ministry of Industry, Investment & Commerce	Appropriation Accounts	2011/2012	1
53038	Companies Office of Jamaica (*)	Appropriation Accounts	2013/2014 - 2015/2016; 2017/2018 - 2022/2023	10
Total				391
<i>* These entities are required to prepare both Appropriation Accounts and accrual basis financial statements.</i>				

Appendix B

List of Audits Executed and Status

Table B1

APPROPRIATION ACCOUNTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Office of the Prime Minister (OPM)	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	Recurrent	2019/2020	Appropriation Accounts	1	WIP		1	
Office of the Prime Minister (OPM)	Recurrent	2020/2021	Appropriation Accounts	1	WIP		1	
Office of the Prime Minister (OPM)	Capital C	2021/2022	Appropriation Accounts	1	WIP		1	
Office of the Prime Minister (OPM)	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Cabinet Office	Recurrent	2021/2022	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	Recurrent	2019/2020	Appropriation Accounts	1	Completed- awaiting re-submission			1
Ministry of Economic Growth & Job Creation (MEGJC)	Capital A	2019/2020	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	Capital C	2019/2020	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Economic Growth & Job Creation (MEGJC)	Capital C	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Economic Growth & Job Creation (MEGJC)	Recurrent	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Economic Growth & Job Creation (MEGJC)	Capital C	2020/2021	Appropriation Accounts	1	WIP		1	
Judiciary	Recurrent	2019/2020	Appropriation Accounts	1	WIP		1	
Judiciary	Recurrent	2020/2021	Appropriation Accounts	1	WIP		1	
Court Administration Division (CAD)	Recurrent	2018/2019	Appropriation Accounts	1	WIP		1	

APPROPRIATION ACCOUNTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Office of the Children's Advocate (OCA)	Recurrent	2019/2020	Appropriation Accounts	1	WIP		1	
Office of the Children's Advocate (OCA)	Recurrent	2020/2021	Appropriation Accounts	1	WIP		1	
Resident Magistrates Court (RCM)	Recurrent	2012/2013	Appropriation Accounts	1	WIP		1	
Supreme Court	Recurrent	2012/2013	Appropriation Accounts	1	WIP		1	
Supreme Court	Recurrent	2013/2014	Appropriation Accounts	1	TBD		1	
Passport Immigration & Citizenship Agency (PICA)	Recurrent	2014/2015	Appropriation Accounts	1	WIP		1	
Legal Reform Department (LRD)	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Governor General	Recurrent	2019/2020	Appropriation Accounts	1	TBD		1	
Director of Public Prosecutions (DPP)	Recurrent	2018/2019	Appropriation Accounts	1	WIP		1	
Ministry of Tourism (MoT)	Recurrent	2018/2019	Appropriation Accounts	1	NOT STARTED			
Ministry of Tourism (MoT)	Recurrent	2020/2021	Appropriation Accounts	1	NOT STARTED			
Post & Telecommunications Department (PTD)	Recurrent	2017/2018	Appropriation Accounts	1	WIP		1	
Parliament	Recurrent	2020/2021	Appropriation Accounts	1	NOT RECEIVED			
Ministry of Industry, Investment & Commerce (MIIC)	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Industry, Investment & Commerce (MIIC)	Capital C	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of National Security (MNS)	Recurrent	2019/2020	Appropriation Accounts	1	WIP		1	
Ministry of National Security (MNS)	Capital	2019/2020	Appropriation Accounts	1	WIP		1	
Ministry of Foreign Affairs & Foreign Trade (MFAFT)	Recurrent	2019/2020	Appropriation Accounts	1	NOT STARTED			
Court of Appeal	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		
Court of Appeal	Recurrent	2013/2014	Appropriation Accounts	1	Certified	1		
Court of Appeal	Recurrent	2011/2012	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	Capital B	2018/2019	Appropriation Accounts	1	WIP		1	

APPROPRIATION ACCOUNTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Management Institute for National Development (MIND)	Recurrent	2019/2020	Appropriation Accounts	1	Certified	1		
Management Institute for National Development (MIND)	Recurrent	2020/2021	Appropriation Accounts	1	Certified	1		
Management Institute for National Development (MIND)	Recurrent	2021/2022	Appropriation Accounts	1	Certified	1		
Management Institute for National Development (MIND)	Recurrent	2022/2023	Appropriation Accounts	1	Certified	1		
Governor General	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Recurrent	2010/2011	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Capital A	2011/2012	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Capital B	2012/2013	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Capital B	2015/2016	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Recurrent	2012/2013	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Capital A	2012/2013	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Recurrent	2013/2014	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Recurrent	2014/2015	Appropriation Accounts	1	Certified	1		
Ministry of Justice (MoJ)	Capital B	2014/2015	Appropriation Accounts	1	Certified	1		
Director Public Prosecutions (DPP)	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		
Director Public Prosecutions (DPP)	Recurrent	2012/2013	Appropriation Accounts	1	Certified	1		
Office of the Parliamentary Counsel (OPC)	Recurrent	2012/2013	Appropriation Accounts	1	Certified	1		
Attorney General's Department	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		
Attorney General's Department	Recurrent	2014/2015	Appropriation Accounts	1	Certified	1		
Resident Magistrates Court (RMC)	Recurrent	2010/2011	Appropriation Accounts	1	Certified	1		
Resident Magistrates Court (RMC)	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		

APPROPRIATION ACCOUNTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Supreme Court	Recurrent	2010/2011	Appropriation Accounts	1	Certified	1		
Family Court	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		
Family Court	Recurrent	2011/2012	Appropriation Accounts	1	Certified	1		
Accountant General's Department (AcGD) Head 2011	Recurrent	2015/2016	Appropriation Accounts	1	Certified	1		
Accountant General's Department (AcGD) Head 2011	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Accountant General's Department (AcGD) Head 2011	Recurrent	2020/2021	Appropriation Accounts	1	Complete d-returned			1
Jamaica Information Service (JIS)	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Jamaica Information Service (JIS)	Recurrent	2019/2020	Appropriation Accounts	1	Certified	1		
Jamaica Information Service (JIS)	Recurrent	2020/2021	Appropriation Accounts	1	Certified	1		
Office of the Services Commission (OSC)	Recurrent	2019/2020	Appropriation Accounts	1	Certified	1		
Ministry of Finance & The Public Service (MoFPS)	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of Finance & The Public Service (MoFPS)	Capital A	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of Finance & The Public Service (MoFPS)	Capital B	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of Finance & The Public Service (MoFPS)	Recurrent	2019/2020	Appropriation Accounts	1	Certified	1		
Ministry of Finance & The Public Service (MoFPS)	Capital C	2019/2020	Appropriation Accounts	1	Certified	1		
Ministry of Local Government	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Tax Administration Jamaica	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Transport & Mining	Recurrent	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Agriculture & Fisheries	Recurrent	TBD	Appropriation Accounts	1	NOT STARTED			
Accountant General's Department-Public Debt: Amortization	Recurrent	2019/2020	Appropriation Accounts	1	WIP		1	
Accountant General's Department-Public Debt: Interest	Recurrent	2019/2020	Appropriation Accounts	1	NOT SUBMITTED			

APPROPRIATION ACCOUNTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Ministry of Labour & Social Security	Recurrent	2021/2022	Appropriation Accounts	1	WIP		1	
Independent Commission of Investigations (INDECOM)	Recurrent	2020/2021	Appropriation Accounts	1	Certified	1		
Registrar General's Department (RGD)	Recurrent	2013/2014	Appropriation Accounts	1	Certified	1		
Ministry of Local Government and Community Development	Recurrent	2013/2014	Appropriation Accounts	1	Certified	1		
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Recurrent	2020/2021	Appropriation Accounts	1	Certified	1		
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Capital c	2020/2021	Appropriation Accounts	1	Certified	1		
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	Capital B	2018/2019	Appropriation Accounts	1	Certified	1		
Court Administration Division (CAD)	Recurrent	2017/2018	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	Recurrent	2017/2018	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	Capital A	2017/2018	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	Capital B	2017/2018	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	Capital A	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	Capital B	2018/2019	Appropriation Accounts	1	Certified	1		
Police Department	Recurrent	2017/2018	Appropriation Accounts	1	Certified	1		
Office of the Children's Advocate (OCA)	Recurrent	2015/2016	Appropriation Accounts	1	Certified	1		
Office of the Children's Advocate (OCA)	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		
Office of the Children's Advocate (OCA)	Recurrent	2017/2018	Appropriation Accounts	1	Certified	1		
Cabinet	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Cabinet	Capital B	2018/2019	Appropriation Accounts	1	Certified	1		
Cabinet	Recurrent	2020/2021	Appropriation Accounts	1	Certified	1		

APPROPRIATION ACCOUNTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Cabinet	Capital C	2020/2021	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	Recurrent	2018/2019	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	Capital A	2018/2019	Appropriation Accounts	1	Certified	1		
Department of Correctional Services (DCS)	Recurrent	2017/2018	Appropriation Accounts	1	Certified	1		
Jamaica Information Service (JIS)	Recurrent	2017/2018	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	Capital B	2015/2016	Appropriation Accounts	1	Certified	1		
Court of Appeal	Recurrent	2014/2015	Appropriation Accounts	1	Certified	1		
Office of the Services Commission (OSC)	Recurrent	2016/2017	Appropriation Accounts	1	Certified	1		
Independent Commission of Investigations (INDECOM)	Recurrent	2021/2022	Appropriation Accounts	1	Certified	1		
Ministry of Labour & Social Security (MLSS)	Recurrent	2009/2010	Appropriation Accounts	1	Certified	1		
Ministry of Labour & Social Security (MLSS)	Recurrent	2013/2014	Appropriation Accounts	1	Complete d-returned			1
Ministry of Labour & Social Security (MLSS)	Recurrent	2014/2015	Appropriation Accounts	1	Complete d-returned			1
Tax Administration Jamaica (TAJ)	Recurrent	2019/2020	Appropriation Accounts	1	Certified	1		

Table B2

FINANCIAL STATEMENTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Administrator General's Department	FS	2021/2022	Financial Statement	1	WIP			
Milk River Hotel & Spa	FS	2021/2022	Financial Statement	1	Certified	1		
Jamaica 4H Clubs	FS	2018/2019	Financial Statement	1	Certified	1		
Jamaica 4H Clubs	FS	2022/2023	Financial Statement	1	Certified	1		
Jamaica 4H Clubs	FS	2019/2020	Financial Statement	1	WIP		1	
Jamaica Information Service (JIS)	FS	2019/2020	Financial Statement	1	Certified	1		
Firearm Licensing Authority (FLA)	FS	2019/2020	Financial Statement	1	WIP		1	
Planning Institute of Jamaica-Improving Climate Data & Information Management (ICDIM) (Closeout)-Project	FS	2021/2022	Financial Statement	1	Certified	1		
Overseas Examinations Council (OEC)	FS	2021/2022	Financial Statement	1	Certified	1		
Management Institute for National Development (MIND)	FS	2022/2023	Financial Statement	1	Certified	1		
Boosting Innovation, Growth & Entrepreneurship Ecosystem (BIGEE)-Project	FS	2022/2023	Financial Statement	1	Certified	1		
CEP for MSMEs-Project	FS	2022/2023	Financial Statement	1	Certified	1		
Jamaica Access to Finance (JAF) for MSMEs-Project	FS	2022/2023	Financial Statement	1	Certified	1		
Ministry of Agriculture & Fisheries-Promoting Community-based Climate Resilience-Project	FS	2022/2023	Financial Statement	1	Certified	1		
Passport Immigration and Citizenship Agency (PICA)	FS	2014/2015	Financial Statement	1	WIP		1	
National Council on Drug Abuse (NCDA)	FS	2011/2012	Financial Statement	1	WIP		1	
Institute of Jamaica (IOJ)	FS	2014/2015	Financial Statement	1	WIP		1	
Forestry Department	FS	2018/2019	Financial Statement	1	WIP		1	

FINANCIAL STATEMENTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Companies Office of Jamaica (CoJ)	FS	2019/2020	Financial Statement	1	WIP		1	
Early Childhood Commission (ECC)	FS	2021/2022	Financial Statement	1	Certified	1		
Jamaica Information Service (JIS)	FS	2020/2021	Financial Statement	1	Certified	1		
Jamaica Information Service (JIS)	FS	2021/2022	Financial Statement	1	Certified	1		
Council of Community Colleges (CCCJ)	FS	2021/2022	Financial Statement	1	Completed-returned			1
Financial Investigations Division (FID)	FS	2019/2020	Financial Statement	1	WIP		1	
Social Development Commission (SDC)	FS	2020/2021	Financial Statement	1	Completed-returned			1
Jamaica Customs Agency (JCA)	FS	2017/2018	Financial Statement	1	Certified	1		
Jamaica Customs Agency (JCA)	FS	2018/2019	Financial Statement	1	Certified	1		
Jamaica Customs Agency (JCA)	FS	2019/2020	Financial Statement	1	WIP		1	
Registrar General's Department (RGD)	FS	2021/2022	Financial Statement	1	WIP		1	
National Works Agency (NWA)	FS	2021/2022	Financial Statement	1	Completed-returned			1
National Council on Education (NCE)	FS	2019/2020	Financial Statement	1	Completed-returned			1
Veterinary Board	FS	2015/2016	Financial Statement	1	NOT STARTED			
Jamaica Intellectual Property Office (JIPO)	FS	2021/2022	Financial Statement	1	WIP		1	
Jamaica Social Investment Fund (JSIF) DVRP & REDI-Project	FS	2021/2022	Financial Statement	1	Certified	1		
Public Procurement Commission (PPC)	FS	2021/2022	Financial Statement	1	Completed-returned			1
Anti-Dumping	FS	2020/2021	Financial Statement	1	NOT SUBMITTED			
National Environment & Planning Agency (NEPA)	FS	2021/2022	Financial Statement	1	Certified	1		
INDECOM-SOCAP-Project	FS	2021/2022	Financial Statement	1	Certified	1		
Ministry of Justice (MoJ)-SOCAP Project	FS	2021/2022	Financial Statement	1	Certified	1		
MoFPS/PIOJ Foundations for Competitiveness & Growth	FS	2022/2023	Financial Statement	1	WIP		1	

FINANCIAL STATEMENTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Jamaica 4H Clubs	FS	2017/2018	Financial Statement	1	Certified	1		
National Council on Education	FS	2018/2019	Financial Statement	1	Certified	1		
Forestry Department	FS	2017/2018	Financial Statement	1	Certified	1		
Private Security Regulation Authority (PSRA)	FS	2020/2021	Financial Statement	1	Certified	1		
Jamaica Library Service (JLS)	FS	2018/2019	Financial Statement	1	Completed-returned			1
Jamaica Library Service (JLS)	FS	2019/2020	Financial Statement	1	Completed-returned			1
Jamaica Library Service (JLS)	FS	2020/2021	Financial Statement	1	Completed-returned			1
National Land Agency (NLA)	FS	2011/2012	Financial Statement	1	Completed-returned			1
National Land Agency (NLA)	FS	2012/2013	Financial Statement	1	Completed-returned			1
National Land Agency (NLA)	FS	2013/2014	Financial Statement	1	Completed-returned			1
National Land Agency (NLA)	FS	2014/2015	Financial Statement	1	Completed-returned			1
National Library of Jamaica (NLJ)	FS	2015/2016	Financial Statement	1	Completed-returned			1
National Library of Jamaica (NLJ)	FS	2016/2017	Financial Statement	1	Completed-returned			1
National Library of Jamaica (NLJ)	FS	2017/2018	Financial Statement	1	Completed-returned			1
National Library of Jamaica (NLJ)	FS	2018/2019	Financial Statement	1	Completed-returned			1
National Library of Jamaica (NLJ)	FS	2019/2020	Financial Statement	1	Completed-returned			1
Jamaica Intellectual Property Office (JIPO)	FS	2020/2021	Financial Statement	1	Certified	1		
National Insurance Scheme (NIS)	FS	2015/2016	Financial Statement	1	Finalized-In house being reviewed			1
National Insurance Scheme (NIS)	FS	2016/2017	Financial Statement	1	Completed-returned			1
National Insurance Scheme (NIS)	FS	2017/2018	Financial Statement	1	Completed-returned			1
National Insurance Scheme (NIS)	FS	2018/2019	Financial Statement	1	Completed-returned			1
National Insurance Scheme (NIS)	FS	2019/2020	Financial Statement	1	Completed-returned			1
Export Division	FS	2013/2014	Financial Statement	1	Completed-returned			1

FINANCIAL STATEMENTS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending

Table B3

MUNICIPAL CORPORATIONS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Manchester MC	FS	2013/2014	Financial Statements	1	Certified	1		
Manchester MC	FS	2014/2015	Financial Statements	1	Certified	1		
Manchester MC	FS	2015/2016	Financial Statements	1	Certified	1		
Manchester MC	FS	2016/2017	Financial Statements	1	Certified	1		
Manchester MC	FS	2017/2018	Financial Statements	1	WIP		1	
Manchester MC	FS	2018/2019	Financial Statements	1	WIP		1	
Manchester MC	FS	2019/2020	Financial Statements	1	WIP		1	
Manchester MC	FS	2020/2021	Financial Statements	1	WIP		1	
Manchester MC	FS	2021/2022	Financial Statements	1	WIP		1	
St. James MC	FS	2006/2007	Financial Statements	1	Certified	1		
St. James MC	FS	2007/2008	Financial Statements	1	Certified	1		
St. James MC	FS	2008/2009	Financial Statements	1	Certified	1		
St. James MC	FS	2009/2010	Financial Statements	1	Certified	1		
St. James MC	FS	2010/2011	Financial Statements	1	Certified	1		
St. James MC	FS	2011/2012	Financial Statements	1	Certified	1		
St. James MC	FS	2012/2013	Financial Statements	1	Certified	1		
St. James MC	FS	2013/2014	Financial Statements	1	Certified	1		
St. James MC	FS	2014/2015	Financial Statements	1	WIP		1	

MUNICIPAL CORPORATIONS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
St. James MC	FS	2015/2016	Financial Statements	1	WIP		1	
St. James MC	FS	2016/2017	Financial Statements	1	WIP		1	
St. Thomas MC	FS	2010/2011	Financial Statements	1	Certified	1		
St. Thomas MC	FS	2011/2012	Financial Statements	1	WIP		1	
Portland MC	FS	2012/2013	Financial Statements	1	Certified	1		
Portland MC	FS	2013/2014	Financial Statements	1	Certified	1		
Portland MC	FS	2014/2015	Financial Statements	1	Certified	1		
Portland MC	FS	2015/2016	Financial Statements	1	Certified	1		
Portland MC	FS	2016/2017	Financial Statements	1	Certified	1		
Portland MC	FS	2017/2018	Financial Statements	1	Certified	1		
Portland MC	FS	2018/2019	Financial Statements	1	WIP		1	
Portland MC	FS	2019/2020	Financial Statements	1	WIP		1	
Portland MC	FS	2020/2021	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2013/2014	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2014/2015	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2015/2016	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2016/2017	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2017/2018	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2018/2019	Financial Statements	1	WIP		1	
St.Elizabeth MC	FS	2019/2020	Financial Statements	1	WIP		1	
Portmore City Municipality	FS	2010/2011	Financial Statements	1	Certified	1		
Portmore City Municipality	FS	2011/2012	Financial Statements	1	Certified	1		
Portmore City Municipality	FS	2012/2013	Financial Statements	1	Certified	1		

MUNICIPAL CORPORATIONS								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Portmore City Municipality	FS	2013/2014	Financial Statements	1	Certified	1		
Westmoreland MC	FS	2013/2014	Financial Statements	1	WIP		1	
Clarendon MC	FS	2010/2011	Financial Statements	1	Certified	1		
Trelawny MC	FS	2015/2016	Financial Statements	1	WIP		1	
Trelawny MC	FS	2016/2017	Financial Statements	1	WIP		1	

THIS PAGE WAS INTENTIONALLY LEFT BLANK