



ANNUAL REPORT

AUDITOR GENERAL'S DEPARTMENT

2024

Report of The Auditor General on the Financial Transactions and Financial Statements of the Government of Jamaica for the Financial Year Ended March 31, 2024, and Performance Report of the Auditor General's Department.

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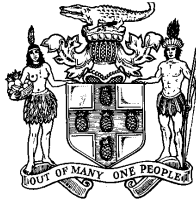
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ABBREVIATIONS

ACCA	Association of Certified Chartered Accountants
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
CEHDIS	Childcare Education Health and Development Integration System
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
HSSP	Health Systems Strengthening for the Prevention and Care Management for Non-Communicable Diseases Programme
IAU	Internal Audit Unit
IBRD	International Bank for Reconstruction and Development
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

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

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December 30, 2024

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

Dear Madam,

Pursuant to the provision of Section 122 (2) of the Jamaican Constitution, I have the honour to submit my report on the results of my examination of the accounts of the Island for the year ended 31st March 2024 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 2023-November 2024 and all audits conducted up to November 2024.

Yours faithfully,

Pamela Monroe Ellis (MS.), JP, F.C.A., F.C.C.A.
Auditor General

Auditor General's Review



It is my privilege to present the 2024 Annual Report of the Auditor General's Department (AuGD), highlighting a year of achievements, transformative initiatives, and strengthened partnerships. This report provides an overview of our organization's performance, internal governance systems, and the results of our assurance and non-assurance audits. It also reflects on the programmes and initiatives executed during the year that have furthered our mandate of promoting accountability, transparency, and efficiency within Jamaica's public sector.

Strengthening Partnerships & Stakeholder Engagement

In an increasingly dynamic and interconnected environment, the importance of extensive stakeholder engagement cannot be overstated. This year, we deepened our collaboration with employees, auditees, donor partners, and civil society organizations to ensure that our work remains aligned with national priorities and stakeholder expectations. These engagements provided critical insights that informed the revision and refocusing of our strategic priorities.

By fostering open communication and building strong relationships with stakeholders, we have not only enhanced the relevance of our audit work but also ensured greater transparency and trust in our processes. These partnerships are vital to the success of our mission, as they enable us to remain attuned to the challenges and needs of the entities we serve while promoting a culture of accountability and improvement across the public sector.



Sustainable Growth

We recognize the importance of our role in fostering accountability and improving governance across Jamaica. The path forward will require continued collaboration, innovation, and unwavering dedication to our mission.

The Value and Impact of Our Audits-Auditing remains a cornerstone of good governance and public financial management. The AuGD's audits are essential in ensuring that public resources are managed responsibly, policies are implemented effectively, and public institutions deliver value to the people of Jamaica. Our work is a catalyst for reform, identifying areas of inefficiency and risk while providing actionable recommendations that drive improvements in operations and decision-making.

In 2024, we commenced audits across critical sectors such as social benefits and housing, procurement, climate change adaptation, emergency management and disaster preparedness, mining, agriculture, and infrastructure. These audits address issues of national significance, ensuring that resources are deployed efficiently and that systems are robust enough to achieve desired outcomes. By November 2024, the Department had commissioned approximately 222 audits, of which 113 were completed with reports or certificates issued, while 109 remain as work in progress.

The insights and recommendations from our audits not only help ministries, departments, and agencies (MDAs) improve their operations but also support Jamaica's broader development agenda, including the realization of Vision 2030 and the Sustainable Development Goals (SDGs). Our work ensures that public funds are used in a manner that maximizes impact and minimizes waste, contributing to stronger governance and public trust.

I foresee challenges in the year ahead owing to the increasing demand on the AuGD's limited resources arising from an influx of outstanding financial reports, including appropriations accounts. Ministries, in particular, have been submitting appropriation accounts in batches, and these will have to be audited along with an already expanded portfolio of financial statements.

A Commitment to Excellence and Operational Efficiency-The AuGD remains steadfast in its commitment to excellence, as evidenced by the maintenance of our ISO 9001:2015 certification. This achievement reflects our dedication to operational efficiency, effective business processes, and a culture of continuous improvement. By leveraging technology, enhancing audit quality, and strengthening our human capital, we are building a resilient and forward-looking institution ready to address emerging challenges.

None of our accomplishments this year would have been possible without the extraordinary dedication and professionalism of our employees. Their hard work, adaptability, and commitment to upholding the integrity of the AuGD have been integral to our success. I extend my deepest gratitude to each team member for their invaluable contributions.

Looking Forward-As we reflect on 2024, we recognize the importance of our role in fostering accountability and improving governance across Jamaica. The path forward will require continued collaboration, innovation, and unwavering dedication to our mission. Together, with our stakeholders and partners, we remain committed to delivering high-quality audit services that create lasting value for the people of Jamaica.



Pamela Monroe Ellis (Ms.), JP, F.C.A., F.C.C.A.,

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SECTION 1

This section provides an overview of the Auditor General's Department (AuGD), its role and major capacity building initiatives undertaken in improving our internal processes and performance over the 23/24 FY.

Key Highlights:

- Organisation Overview
- Governance and Accountability Framework
- Capacity Building & Partnerships
- Financial Management
- Information technology Initiatives
- Stakeholder Engagement
- Quality Assurance-Year in Review
- Internal Audit-Year in Review

ORGANISATIONAL OVERVIEW

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 of Government's fiscal policy papers, consistent with legislative requirements and international auditing standards. The AuGD is committed to continual improvement in meeting or exceeding customer expectations through a highly efficient, motivated, diverse, and performance-driven team.

CORE VALUES

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

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

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

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

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

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

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



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 AND FUNCTION

1.1.1. The Auditor General's Department (AuGD) plays a pivotal role in Jamaica's journey toward achieving the goals and outcomes outlined in the National Development Plan—Vision 2030. As the supreme audit institution of the nation, the AuGD is empowered by the Jamaican Constitution and the Financial Administration and Audit (FAA) Act to conduct audits across Ministries, Departments, and Agencies (MDAs). This authority ensures that public sector financial management is both transparent and accountable, fostering trust in governance and stewardship of public resources.

1.1.2. Guided by a three-year Strategic Audit Plan, the AuGD employs a risk-based methodology to focus its resources on high-priority areas, ensuring that its audits provide meaningful insights and actionable recommendations. These independent and objective assessments serve to strengthen internal controls, enhance operational efficiency, and improve financial management within the public sector. By addressing systemic gaps and recommending best practices, the AuGD empowers MDAs to optimize their operations and deliver better services to the Jamaican people.

1.1.3. A cornerstone of the AuGD's mission is its alignment with Vision 2030's national goals and outcomes. By incorporating these objectives into its strategic framework, the Department not only monitors and evaluates Jamaica's progress but also contributes directly to improving public financial management and accountability. This alignment underscores the AuGD's commitment to fostering sustainable growth and good governance, critical to realizing a secure and prosperous future for Jamaica.

1.1.4. Audit reports, tabled in Parliament and disseminated through multiple channels, ensure transparency and encourage public engagement. Through these efforts, the AuGD remains steadfast in its mandate to promote accountability, strengthen public trust, and drive continuous improvement across the public sector, ultimately supporting Jamaica's transformation into "the place of choice to live, work, raise families, and do business."

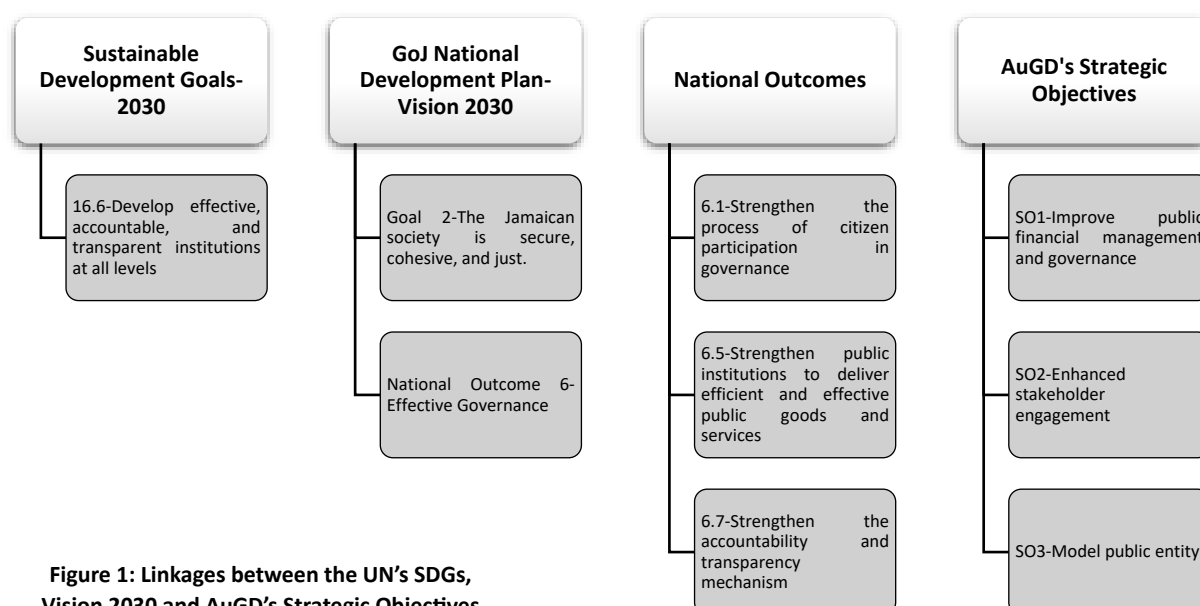


Figure 1: Linkages between the UN's SDGs, Vision 2030 and AuGD's Strategic Objectives

GUIDING LEGISLATION



Annual Report- 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).

Audit of Public Bodies- 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.

Special Audits-As outlined in Section 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 Jamaican Constitution.

The Jamaican Constitution

**The Financial
Administration and Audit
Act**

**The Public Bodies
Management and
Accountability Act**

Figure 2: The legislative framework of the Auditor General's Department

OUR PRODUCTS AND SERVICES

1.1.5. Essential to the AuGD is its role in promoting accountability, transparency, and efficiency within Jamaica's public sector. It delivers a range of products and services designed to enhance public financial management, governance, and operational performance across Ministries, Departments, and Agencies (MDAs). The AuGD's work is categorized into two main audit streams: **assurance audits**, which provide independent opinions on financial statements and compliance with regulations, and **non-assurance audits**, which evaluate performance, governance, and operational efficiency to offer insights and recommendations for improvement.

Non-Assurance	Economic Assessments -this unit analyzes the financial statements of public bodies to inform Parliament and guide the Public Accounts Committee (PAC) in their review of public bodies. FSAs are prepared using information from an entity's annual audited financial statements, annual reports and other supplementary information. They also select entities for assessment based on the list provided by Minister of Finance that is proposed for possible commercialisation as well as those that pose risk to fiscal sustainability.
	Performance Audits -these audits are selected based on emerging risks identified in accordance with GoJ's NDP focus areas. They analyze extent to which MDAs are achieving outcomes economically, efficiently and effectively.
	Special Audits -conducted upon request by PAC, or done based on areas of high-risk and via information received from Whistle-blowers (2011 Protected Disclosures Act).
Assurance Audits	Audit of Appropriation Accounts, Financial Statements, Information Technology Audits and Review of Pension and Family Benefits
	Financial Statements -Based on statutory requirements AuGD reviews and certifies financial statements of public bodies
	Appropriation Accounts -Constitution stipulates that audit of appropriation accounts of MDAs must be done annually
	Information Technology Audits -I.T. based audits examine internal controls and risks associated with maintenance of ICT systems
	Review of Pension Files -Verification of computations re pension and family benefits

Figure3: Products and services offered by the AuGD

ORGANISATIONAL STRUCTURE

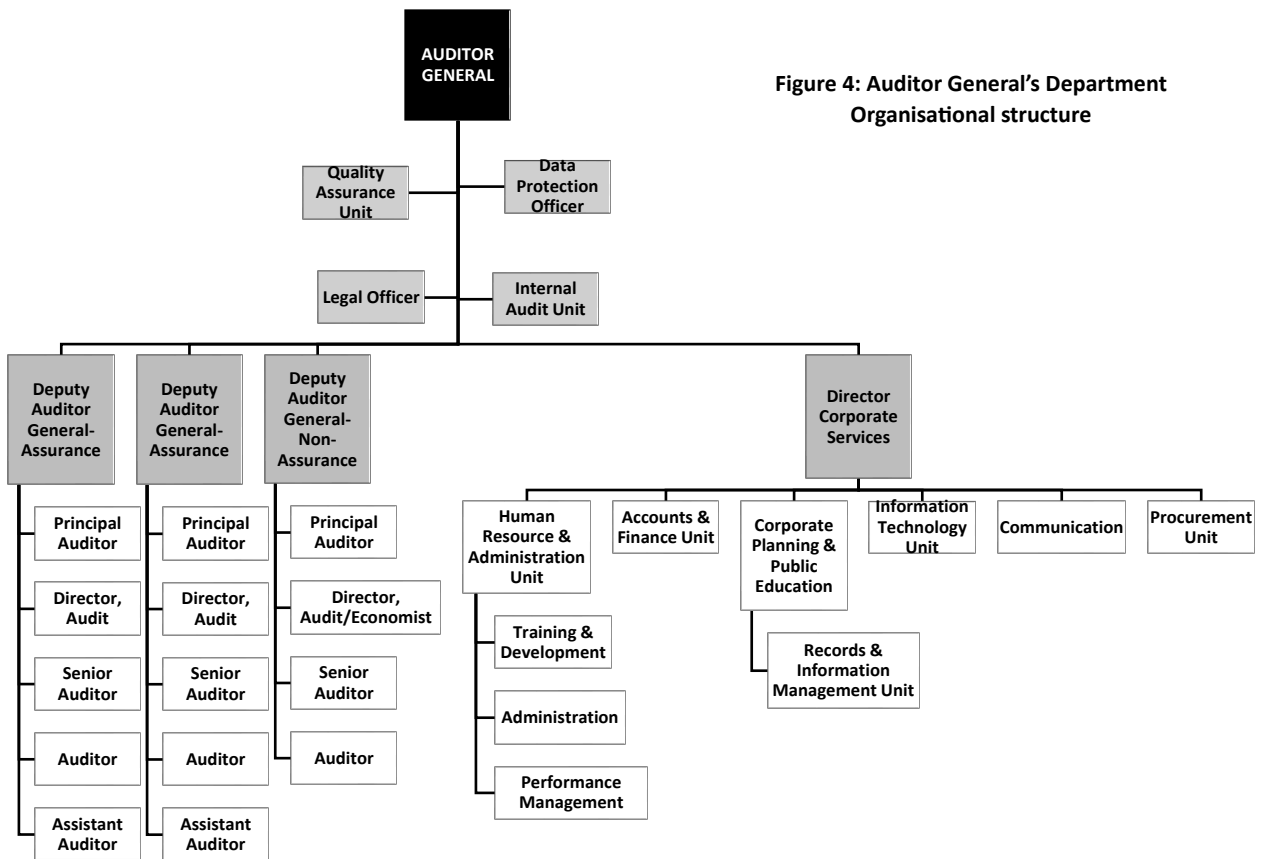


Figure 4: Auditor General's Department Organisational structure

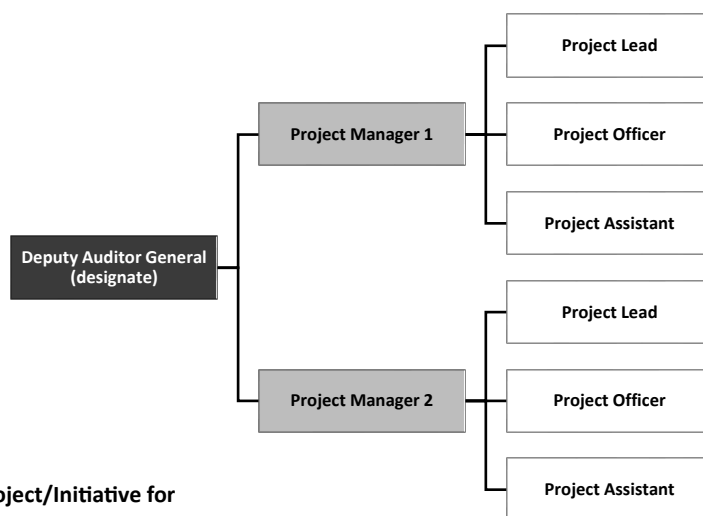


Figure 5: Backlog Audit Project/Initiative for Municipal Corporations

GOVERNANCE AND ACCOUNTABILITY FRAMEWORK

1.1.6. The Auditor General’s Department (AuGD) recognizes that a robust internal accountability and governance framework is essential to ensuring its business operations align with relevant standards and policies. This framework not only fosters compliance but also positions the Department to respond proactively to emerging trends and changes in its business environment. By mitigating risks and addressing potential threats, the AuGD safeguards its ability to deliver high-quality audit reports and actionable recommendations that contribute to improved governance and financial management across the public sector.

1.1.7. At the core of this governance framework is the **Executive Management Committee (EMC)**, which provides strategic oversight and decision-making to guide the Department’s operations. The EMC is supported by the **Corporate Services Division**, which encompasses critical functions such as procurement, human resources and administration, documentation and information management, quality management, and financial management. These areas collectively ensure the Department operates efficiently and maintains a strong foundation to fulfil its mandate effectively.

1.1.8. Additionally, the AuGD’s **Internal Audit** and **Quality Assurance** Units play a vital role in upholding the integrity of its processes. Operating independently from the core auditing function, these units regularly evaluate both auditing and non-auditing processes to ensure compliance with established standards and to identify opportunities for improvement. These evaluations help maintain a consistent standard of quality across all operations, enabling the Department to achieve its strategic objectives while adapting to the dynamic demands of its environment.

1.1.9. The implementation of this comprehensive corporate governance structure reinforces the AuGD’s commitment to continuous improvement and accountability. By fostering transparency and operational excellence within its own organisation, the Department not only strengthens its capacity to execute its mandate effectively but also serves as a model for good governance across the wider public sector.

Other Key Supporting Committees:

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

CONTINUED BUILDING OF A SKILLED WORKFORCE FOR SUSTAINED EXCELLENCE

1.1.10. Human capacity building and training are fundamental in maintaining a competent and highly skilled workforce capable of delivering on its mandate effectively. Recognizing the importance of professional development, the AuGD develops an Annual Training Plan tailored to address performance gaps identified through evaluations and other assessment mechanisms. This plan ensures that staff are not only equipped to overcome current challenges but are also prepared to adopt new methods and approaches aligned with evolving industry standards and practices.



1.1.11. Over the past year, the AuGD has prioritized training and development as a key focus area, leveraging collaborations with donors and strategic partners. These partnerships have been instrumental in facilitating knowledge sharing, exposing staff to international best practices, and providing access to specialized training programs. This collaborative approach has proven invaluable in addressing performance gaps and fostering a culture of continuous learning within the organisation.

1.1.12. Internally, the impact of these efforts is evident in the enhanced competencies of our teams, leading to improved audit processes, more insightful analyses, and the production of high-quality audit reports. By investing in the professional growth of its workforce, the AuGD ensures that it remains agile and responsive to changes in the public sector landscape while maintaining the integrity and reliability of its work.

1.1.13. Externally, a well-trained AuGD workforce translates into greater value for Jamaica's public sector. Improved audits and actionable recommendations empower Ministries, Departments, and Agencies (MDAs) to strengthen their operations, enhance financial management, and achieve greater accountability and transparency. This ripple effect contributes significantly to the realization of national development goals and the promotion of good governance across the country.

1.1.14. Through its unwavering commitment to capacity building, the AuGD not only strengthens its own organisational performance but also positions itself as a leading force in advancing accountability and public financial management in Jamaica.

Key highlights include:

- **Cybersecurity Awareness:** Strengthened data protection through training on best practices for email security, password management, and identifying cyber threats.
- **Teammate and CaseWare:** Improved audit efficiency through the use of advanced tools for data analysis and risk assessment.
- **Government Accounting Levels:** Enhanced compliance with public fund management regulations.

- **Code of Ethics Awareness:** Reinforced adherence to the organisation's core values through ongoing monthly activities.
- **IPSAS Workshop:** Strengthened audit quality by applying International Public Sector Accounting Standards (IPSAS).
- **IDI Donor Support Programmes:** Conducted specialized training in areas such as audit quality, climate change, IT audits, and leadership development.

1.1.15. These initiatives reflect the organisation's commitment to fostering employee growth, operational excellence, and readiness to address emerging challenges.

1.1.16. Moving forward, our approach will emphasize fostering a high-performance culture through initiatives that equip employees with the skills, knowledge, and resources essential for success. These programs will not only enhance individual competencies but also promote a culture of continuous improvement, collaboration, and accountability across the department.

INTERNATIONAL PROGRAMMES

1.1.17. Members of staff have participated in several programs offered by international partners, aimed at improving audit practices and enhancing the human resource function within the department. The programs include:

- IDI – System of Audit Quality Management
- IDI – Climate Change Adaptation Action
- IDI – TOGETHER Initiatives
- IDI – SYL Initiatives (Supreme Audit Institute Young Leaders Initiative)
- The Audit Board of the Republic of Indonesia – Hands-on audit training on the Blue Economy, with a focus on fisheries, mangroves, and coastal areas.

FINANCIAL REPORT



Figure 6: Budget Utilization for the 23/24 period-AuGD

1.1.18. For the 2023/2024 Financial Year (FY), the Department utilized 98.03 percent of the amount budgeted. This represents a further increase in the budget utilization rate when compared to the previous financial year, 2022/2023. Overall, the AuGD spent \$120.0M in 2023/2024 when compared to 2022/2023. The major increase in expenditure was for Compensation which moved from \$965.0M in 2022/2023 to \$1,063.0B in 2023/2024. The revised estimates for the AuGD were \$1,326.0B, however, the Department spent a total of \$1,300.0B and collected \$6,134.0M (an excess of \$1,134.0M).

Breakdown of Expenditure by Object (Three Year Review)

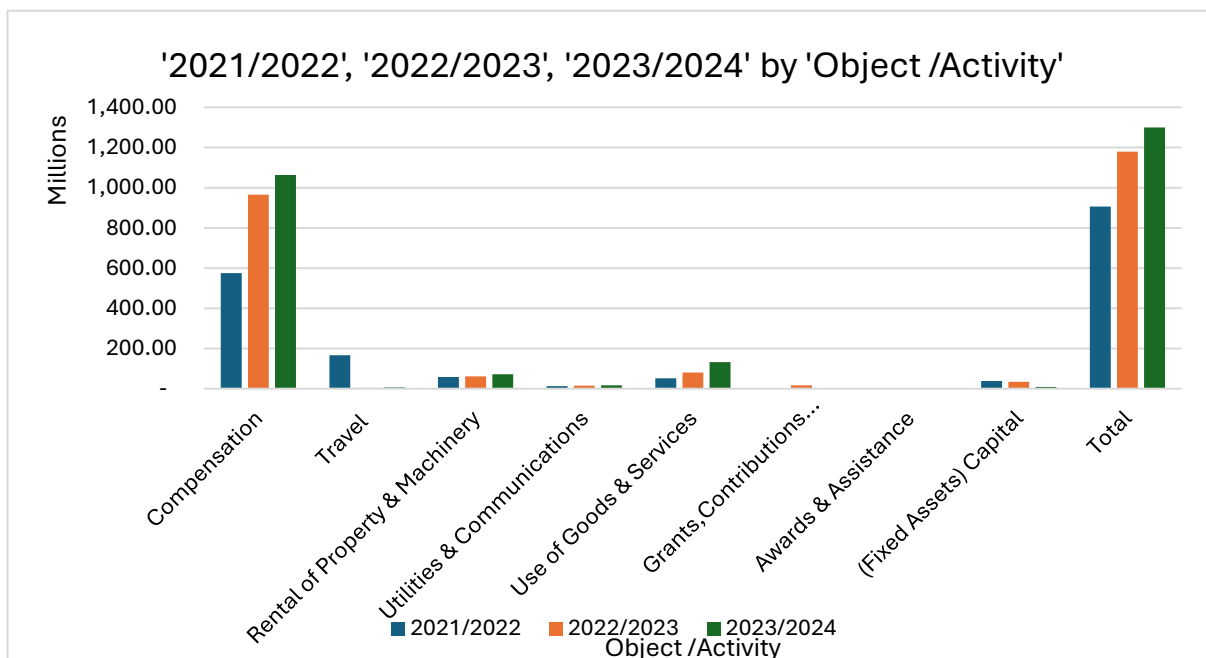


Chart 1: Three-year comparison for expenditure

***2023/2024 UNAUDITED FINANCIAL STATEMENT**

Object /Activity	2021/2022	2022/2023	REVISED ESTIMATE 2023/2024	*ACTUAL 2023/2024	VARIANCE 2023/2024
Compensation	575,315,469.05	965,058,428	1,101,380,000	1,062,993,465	38,386,535
Travel	166,479,019.42	4,408,258	5,844,000	6,213,782	-369,782
Rental of Property & Machinery	58,474,575.57	61,417,851	75,930,000	71,609,970	4,320,030
Utilities & Communications	12,995,052.88	14,973,934	16,731,000	16,543,952	187,048
Use of Goods & Services	51,917,567.58	80,703,092	136,482,000	132,534,388	3,947,612
Grants, Contributions, &Subsidies	1,154,308.01	17,074,684	405,000	324,588	80,412
Awards & Assistance	1,985,000.00	1,137,750	2,000,000	500,000	1,500,000
(Fixed Assets) Capital	38,244,832.25	34,465,660	8,000,000	9,207,104	-1,207,104
Totals	906,565,824.76	1,179,239,658	1,346,772,000	1,299,927,228	46,844,772

Table 1: Detailed breakdown of expenditure by object between 21/22 and 23/24 FY

Key Trends**1. Compensation**

- **Trend:** Consistent upward trend.
- **Details:** Increased by 30.1% from 2021/2022 to 2022/2023, and by 10.1% from 2022/2023 to 2023/2024.
- **Implication:** Reflects rising personnel costs, due to salary increases resulting from the Government of Jamaica compensation review which took effect April 1, 2022, when all other earning costs were rolled into compensation.

2. Travel Expense & Subsistence

- **Trend:** Sharp decrease with subsequent increase.
- **Details:** A drastic decrease of 97.3% from 2021/2022 to 2022/2023, followed by a 40.9% increase from 2022/2023 to 2023/2024.
- **Implication:** Indicates a sharp decrease in travel costs. The dramatic reduction in 2022/2023 over 2021/2022 and the subsequent increase in the 2023/2024 fiscal year can be attributed to the revised GOJ compensation policy whereby on April 1, 2022, all reimbursable travel costs were rolled into compensation (Object 21) with travel costs from 2022/2023 onwards related to domestic travel to outstations and overseas travel. Overseas travel was curtailed due to the Covid-19 pandemic but picked up slightly in the post-Covid-19 pandemic era reflecting the 40.9% increase in 2023/2024 over 2022/2023.

3. Rental of Property & Machinery

- **Trend:** Steady increase.
- **Details:** 5% increase from 2021/2022 to 2022/2023, and 16.6% from 2022/2023 to 2023/2024.

- **Implication:** Suggests growing reliance on rented properties and machinery. The increases resulted from staff resuming in-person activities in the office after the Covid-19 pandemic. The Department also entered into a 2-year leasing arrangement for three Multifunctional printers rather than buying them.
4. **Utilities and Communication**
- **Trend:** Gradual increase.
 - **Details:** 15.2% increase from 2021/2022 to 2022/2023, and 10.5% from 2022/2023 to 2023/2024.
 - **Implication:** Reflects rising costs in utilities and communication, due to increased rate for CUG services.
5. **Use of Goods and Services**
- **Trend:** Significant growth.
 - **Details:** 55.5% increase from 2021/2022 to 2022/2023, and 64.2% from 2022/2023 to 2023/2024.
 - **Implication:** Indicates a substantial rise in cost due to the Department assuming responsibilities for the subscription for Audit Tools namely CaseWare and a consequent increase in the number of users and thus licenses. The number of users increased from approximately 50 in 2020/2021 to over 112 in 2023/2024 financial year.
6. **Grants, Contributions & Subsidies**
- **Trend:** Fluctuating.
 - **Details:** Large increase in 2022/2023, followed by a sharp decline in 2023/2024.
 - **Implication:** The fluctuation in costs reflects the timing of the submission of invoices by the respective regional and international SAI member organisations, that is, the IDI and CAROSAI.
7. **Awards & Social Assistance**
- **Trend:** Decreasing.
 - **Details:** There was a 42.7% decrease from 2021/2022 to 2022/2023, and 56.1% from 2022/2023 to 2023/2024.
 - **Implication:** Reflects a reduction in awards and social assistance. This is where the Department budgeted for a tuition refund for four staff members at full refund of J\$500,000. However, only one staff claimed and was refunded the full amount.
8. **Capital Goods**
- **Trend:** Significant reduction.
 - **Details:** 9.9% decrease from 2021/2022 to 2022/2023, and 73.3% from 2022/2023 to 2023/2024.
 - **Implication:** There was a major reduction in the capital expenditure budget for 2023/2024 as the Department had brought forward a number of capital projects to the 2022/2023 budget year as after review there were enough funds in 2022/2023 budget to satisfy these expenditures. This led to a significant reduction in the 2023/2024 capital budget.

Overall Expenditure

- **Trend:** Increasing.
- **Details:** 30.1% increase from 2021/2022 to 2022/2023, and 10.2% from 2022/2023 to 2023/2024.
- **Implication:** Reflects overall growth in expenditure, driven by increases in several key categories highlighted above.

UNAUDITED EXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED ESTIMATES AND EXPENDITURE

AUDITOR GENERAL'S DEPARTMENT

**APPROPRIATION ACCOUNT 2023/2024
HEAD 05000 – RECURRENT**

EXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED ESTIMATES AND EXPENDITURE

Activity 10005 – Direction and Administration

Object

21 Compensation of Employees – Savings \$7,868,087.71

The savings of approximately \$7.9 Million arose from the separation of two (2) officers from the organisation during the financial period. Also, an officer was seconded to another Ministry for six months effective September 1, 2023, resulting in the acting assignment of another officer at a lower level, however, the lower post was not filled.

22 Travel Expenses and Subsistence – Excess \$253,331.60

Actual expenses for local and overseas travel, slightly exceeded initial estimates due to.

23 Rental of Property & Machinery – Savings \$4,320,029.73

The implementation of the Auditor General's Department's telecommuting policy has led to a decrease in the use of parking spaces at the Cinema Lands parking lot. This reduction in usage, coupled with the non-submission of invoices and bills for March 2024, have resulted in cost savings.

24 Utilities and Communication Services – Savings \$187,048.15

The reduction in the Closed User Group (CUG) usage led to savings following the separation of officers during the period.

25 Use of Goods and Services – Savings \$3,947,611.87

The savings resulted from several factors such as, an excess collection of \$1.1 Million in Appropriations-In-Aid (AIA), a strategic decision to reallocate \$1.2 Million to Object 32, enabling the procurement of essential furniture. Further savings were achieved due to some suppliers' inability to deliver goods and services within the stipulated timeframe of the financial year.

29 Awards and Social Assistance – Savings \$1,500,000.00

The AuGD made provision to refund tuition fees for four (4) members of staff in keeping with the Ministry of Finance Guidelines. However, only one request was made. Also, Five Hundred Thousand Dollars (\$500,000.00) was reallocated to Object 22, to facilitate travel expenses.

32 Fixed Assets (Capital Goods) – Excess \$1,207,104.36

The AuGD acquired much needed capital goods such as chairs for the training rooms to facilitate monthly face to face senior officers' meetings and in house training, etc. One Million Two Hundred Dollars (\$1.2 Million) was reallocated from Object 25 to facilitate this acquisition.

AUDITOR GENERAL'S DEPARTMENT**APPROPRIATION ACCOUNT 2023/2024****HEAD 05000 – RECURRENT****EXPLANATION OF THE CAUSES OF VARIATION BETWEEN APPROVED ESTIMATES AND EXPENDITURE****Activity 10007 – Payment of Membership Fees and Contributions****Object****27 Grants, Contribution and Subsidies– Savings \$80,413.77**

The AuGD made provisions for contribution to two (2) organizations, International Organization of Supreme Audit Institutions (INTOSAI) and the Caribbean Organization of Supreme Audit Institutions (CAROSAI). The savings arose due to favourable variance between the actual and budgeted foreign exchange rates.

Activity 10280 – Administration of External Audit Services**21 Compensation of Employees – Savings \$30,518,447.36**


- The savings arose from the clearing of a prior year Treasury Advance. As of April 1, 2023 the Department had an uncleared Treasury Advance of \$16.2 Million. This advance is attributed to the compensation restructuring, which has been formalized within the Supplementary Estimates.
- The resignation of several officers and filling of vacant posts at various points during the period also contributed to the savings.
- Also, due to the non-funding of the March Warrant, five contract workers were not paid gratuity and vacation leave pay of approximately \$9.5 Million. They were however paid in May 2024.

22 Travel Expenses and Subsistence – Excess \$116,450.34

Actual expenditure for local and overseas travel was marginally more than anticipated.

Appropriations-In-Aid (AIA)-Excess		<u>\$1,134,165.64</u>
Budgetary Provision		\$5,000,000.00
Actual Collections		<u>\$6,134,165.64</u>
Excess		\$1,134,165.64

AIA collected for the period was more than the projected receipts; the amounts collected assisted with the renewal of the TEAMMATE licenses. The excess was surrendered to the Consolidated Fund.



 Pamela Monroe Ellis (Mrs.)
 Accounting Officer
 July 31, 2024

Figure 7: AuGD's Unaudited Financial Report
(explanation of variances for the 23/24 FY)

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) INITIATIVES

1.1.19. The ever-evolving technological landscape has presented both challenges and opportunities for the Auditor General's Department (AuGD). Recognizing the critical role technology plays in enhancing efficiency and effectiveness, the AuGD has embraced innovation to strengthen its Information and Communication Technology (ICT) capabilities and capacity.

1.1.20. Over the past year, the AuGD has implemented a series of strategic initiatives designed to modernize our operations and support our mandate of delivering independent, high-quality audits that enhance public financial management and governance. In line with our commitment to technology adoption, we have also prioritized capacity building among our staff. Comprehensive training programs have been rolled out to ensure team members are equipped to leverage emerging technologies and apply data analytics in their audit activities.



1.1.21. These efforts align with our broader goal of standardizing and streamlining audit methodologies across the organisation, creating uniform procedures that meet global standards.

1.1.22. Additionally, the AuGD has made strides in enhancing cybersecurity measures to safeguard sensitive information. Investments in robust security protocols and systems reflect our dedication to maintaining the integrity of our operations and protecting public trust.

1.1.23. The AuGD has also embraced opportunities for collaboration through technology. By engaging with stakeholders via digital platforms and utilizing remote communication tools, we have improved the accessibility and transparency of our work. This technological agility was instrumental in navigating the challenges posed by the global shifts in work environments and ensuring the continuity of our functions.

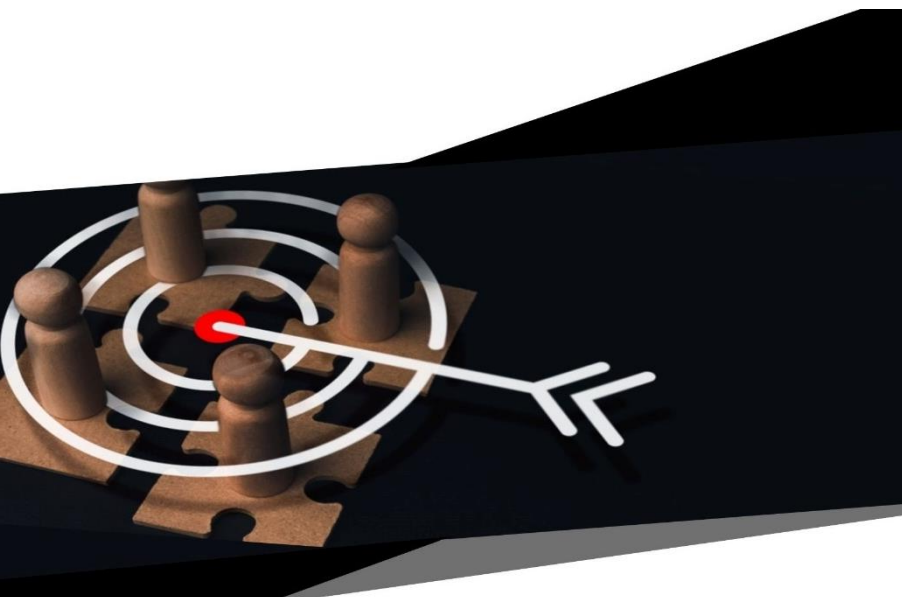
1.1.24. As we continue to align with our strategic objectives for 2025-2027, the AuGD remains committed to leveraging technology as a catalyst for change. Our journey of adaptation demonstrates our resilience and dedication to staying at the forefront of innovation in the public sector auditing landscape. Through these efforts, we strengthen our position as a model public entity with a culture of excellence, inclusivity, and engagement.

Some of the initiatives undertaken this past year are as follows:

- **Endpoint Protection**-Recognising the increasing threat to endpoints, particularly given the decentralised nature of our auditors' work across Ministries, Departments, and Agencies (MDAs), the AuGD has procured an Endpoint Detection and Response (EDR) solution. This solution enhances threat detection capabilities, including zero-day attacks, and provides centralised visibility into endpoint activities, ensuring rapid and effective incident responses. We anticipate a significant improvement in our cybersecurity posture and operational resilience.
- **Security Awareness**-The AuGD has implemented a comprehensive security awareness training program to educate staff on data and technology safety practices. The training has covered a wide range of topics, from basic cybersecurity hygiene to advanced threat detection, and is delivered in short, engaging modules, ensuring minimal disruption to business operations. Tailored content and reporting functionalities help track and improve user compliance with the program.
- **Data Protection**-To align with the stipulations of the Data Protection Act, the ICT Unit has undertaken training and research initiatives to build its capacity. Efforts have also been made to sensitise staff through interactive content, encouraging compliance with data protection best practices.
- **Artificial Intelligence (AI)**-While AI offers significant opportunities, it poses new security and ethical challenges. A security awareness module on AI risks is being developed to address these. Additionally, new policies and guidelines are being considered to guide the use of AI within the organisation.
- **Policy Development**-The AuGD revised two key ICT policies—the Information Security Policy and the Information and Communications Technology Policy—and adopted four new policies: the Acceptable Use Policy, Clear Desk and Clear Screen Policy, Encryption Policy, and Password Policy. These policies provide robust guidance on information security and ICT usage, with specific provisions such as acceptable use scenarios, desk and screen clearing procedures, encryption standards, and password management guidelines.
- **Upgrading Audit Software**-The transition to **TeamMate+**, an advanced audit management software, marks a significant milestone in the AuGD's operational efficiency. TeamMate+ facilitates every stage of the audit workflow, from annual planning to fieldwork execution and follow-up actions. Its core capabilities, such as risk-focused planning, data-driven insights, and enhanced stakeholder engagement, enable the department to execute audits with greater precision and collaboration. This upgrade positions the AuGD to maintain high standards of accountability and transparency in its audit processes.
- **ICT Infrastructure Enhancements**-While no significant upgrades were made to the ICT infrastructure beyond scheduled maintenance, a notable achievement was the introduction of an open-source IT Inventory mechanism. This system enables the department to manage its hardware and software assets better, ensuring operational efficiency and informed decision-making. The platform offers improved tracking and reporting capabilities, which help optimise resource allocation and maintain accountability.

STRATEGIC REPOSITIONING AND STAKEHOLDER ENGAGEMENT

1.1.25. The Auditor General's Department of Jamaica (AuGD) recognizes the importance of incorporating the views and inputs of both internal and external stakeholders in shaping our strategic direction and optimizing operational effectiveness. In keeping with this commitment, the AuGD hosted its triennial Strategic Retreat in September 2024. This three-day event was pivotal in reshaping the Department's strategic priorities, streamlining operations, and advancing our mission to enhance public financial management and governance.



1.1.26. The retreat brought together a diverse group of key stakeholders, reflecting the breadth of our partnerships and the communities we serve. Participants included heads of entities and permanent secretaries from client organisations, representatives from civil society organisations, the Public Accounts Committee, academia, donor groups, cooperative partners, citizens, and members of the media. Crucially, our internal stakeholders—employees at all levels—also actively contributed by providing candid assessments of our current operations and recommendations for future initiatives.

1.1.27. Each day of the retreat was carefully designed to foster collaboration, extract critical insights, and set the stage for formulating new strategic priorities. Discussions centered on key areas necessary to position the AuGD as a leader in public sector auditing and a model entity within the Government of Jamaica.

1.1.28. Through these engagements, we collectively reviewed the progress made under the previous business strategy and outlined the way forward. The Executive Management Committee, after a thorough evaluation of our current state and the emerging needs of our stakeholders, proposed four strategic priorities to guide our 2025-2027 business strategy:

- **Human Capital Management and Development:** Focused on capacity building and strengthening our employees' skill sets to meet the demands of modern auditing.
- **Enhancing Audit Quality:** Aimed at improving the reliability and impact of our audit processes and outputs.
- **Leveraging Technology:** Committed to automating processes and adopting advanced tools to drive efficiency and innovation in auditing.
- **Strengthening Stakeholder Relationships:** Dedicated to fostering stronger alliances and more meaningful engagement with all stakeholders.

1.1.29. These priorities underscore the Department's readiness to influence the external environment through actionable audit recommendations and enlightening reports. By aligning our strategy with national development objectives, including the Government of Jamaica's Vision 2030 and the United Nations Sustainable Development Goals, the AuGD is poised to play a more significant role in advancing good governance, transparency, and accountability in the public sector.

1.1.30. The 2024 Strategic Retreat was a resounding success, reaffirming our commitment to excellence, collaboration, and innovation. As we move forward, the AuGD remains steadfast in its mission to deliver independent, high-quality audits that inspire trust, promote change, and contribute to a better Jamaica.

Use of Social Media

1.1.31. In furthering transparency and ensuring public access to our work, the AuGD – utilizes social media platforms such as **X (formerly Twitter), LinkedIn, and Instagram**. These platforms are leveraged to facilitate public access to tabled audit reports, making critical information readily available to all Jamaicans and fostering greater civic engagement with our findings.

LEADING BY EXAMPLE

QUALITY ASSURANCE UNIT

THE YEAR IN REVIEW

1.1.32. 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 23 reviews over the period, nine 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 locally and overseas 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 and technologies, 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 while supporting the successful introduction and compliance with the newly **revised ISSAI 140 standard**

QUALITY ASSURANCE REPORTS

1.1.33. During the period December 2023 to November 2024, the QA unit successfully completed thirteen (13) quality assurance reviews and reports. The completed reviews comprised nine assurance audits and four non-assurance audits. One partial review was also conducted on a special audit of the Tax Administration of Jamaica, while nine other QA reviews remained as works-in-progress for the reporting period.

1.1.34. As part of its mandate, the QA unit conducts "hot reviews" on all performance audits and special audits (non-assurance audits). These reviews are typically conducted before the reports are signed off by the Auditor General, providing an added layer of assurance on the rigor and integrity of the audit process.

1.1.35. Additionally, the QA unit performs post-issuance or "cold reviews" of assurance audits (Financial Statement, Appropriation Accounts) evaluating the quality of the audit process and identifying areas for continuous improvement after the reports have been issued.

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

Audit Entities/Topics	Audit Type	QAR of Entire Audit Process (P)
Promoting Community-Based Climate Resilience (PCCR)	Financial Statement	✓
Jamaica Information Service (JIS)	Financial Statement	✓
Office of the Services Commission (OSC)	Appropriation Accounts	✓
Tax Administration of Jamaica (TAJ)	Special	Partial Review
Financial Services Commission (FSC)	Special	✓
Jamaica Civil Aviation Authority (JCAA)	Financial Statement Assessment	✓
Public Procurement Commission (PPC)	Financial Statement	✓
National Environment & Planning Agency (NEPA)	Financial Statement	✓
Jamaica Social Investment Fund (JSIF) - (REDI II)	Financial Statement	✓
Office of the Prime Minister (OPM)	Appropriation Accounts	✓
Management Institute for National Development (MIND)	Financial Statement	✓
Office of Disaster Preparedness & Emergency Management (ODPEM)	Performance	✓
Management of Government Social Benefit Programs	Performance	✓
Court Administration Division (CAD)	Appropriation Accounts	✓
Ministry of Finance and the Public Service (MoFPS)	Appropriation Accounts (In Progress)	✓
Ministry of Agriculture & Fisheries (MOAF)	Compliance (In Progress)	✓
Jamaica 4H Clubs	Financial Statement (In Progress)	✓
Climate Change Adaption Actions	Performance (In Progress)	✓
Production Incentive Program (PIP)	Performance (In Progress)	✓
Jamaica National Insurance Scheme (JNIS)	Information Technology (In Progress)	✓
Boosting Innovation, Growth & Entrepreneurship Eco-Systems (BIGEE)	Financial Statement (In Progress)	✓
Overseas Examination Commission (OEC)	Financial Statement (In Progress)	✓
Ministry of Local Government & Community Development (MLGCD)	Appropriation Accounts (In Progress)	✓

Table 2: List of QAR Reviews undertaken over the last year

OUR FINDINGS

1.1.37. Following on from the previous year, the QA unit has continued to see a reduction in the number of areas identified as non-conformities. Over the period, the unit has seen improvement in the three main phases of the audit process (Planning, Execution, Reporting). 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.

1.1.38. 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

1.1.39. 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 Organisation 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.

1.1.40. 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.

1.1.41. Moving forward, the unit will place greater emphasis on:

- **Integrating emerging technologies such as Artificial Intelligence (AI)** into its processes to enhance efficiency, accuracy, and value addition.
- **Refining its checklist, manual, and processes** to align with the revised ISSAI 140, ensuring compliance with the updated standard and best practices.
- **Enhancing its focus on institutional reviews**, ensuring that broader organisational systems, processes and controls are robust, efficient, and in keeping with international standards.

INTERNAL AUDIT UNIT

1.1.42. The Internal Audit Unit (IAU) is responsible for evaluating the financial and administrative operations of the Auditor General’s Department. This is accomplished through a systematic review of internal controls, risk management practices, and governance processes.

1.1.43. Established under Section 34 of the Financial Administration and Audit Act, the IAU fulfils its mandate through a planned audit program and the ad-hoc verifications of accounting, administrative and human resource activities requested by the Corporate Services Unit and the Ministry of Finance and the Public Service (MoFPS).

OUR ACHIEVEMENTS

The IAU completed 82 per cent of planned audits for the reporting period ending December 2024.

The IAU incorporated reviews of General IT Controls into its audits

The IAU underwent training in Procurement Management and Microsoft Teams

THE YEAR AHEAD

The IAU plans to review the Department's compliance with the Data Protection Act.

Improving the operations of the Unit through the implementation of TeamMate plus to maintain working papers

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

INTERNAL AUDIT REPORTS

1.1.44. Throughout the year, the Internal Audit Unit (IAU) conducted a comprehensive review of the Department's financial operations. This included audits of the Appropriation Accounts, Monthly Financial Statements, and the Petty Cash system. Additionally, the Unit assessed the Department’s Fixed Asset Records and overseas travel activities to ensure continued compliance with Government of Jamaica (GoJ) directives. In addition, the IAU also conducted audits of the AuGD’s Salaries and Wages System to determine the robustness of the Departments Payroll process and Information Technology Controls to determine conformance to industry best practices and the protection of the AuGD resources. The Internal Audit Unit (IAU) continues to perform unplanned verifications and pre-audits at the request of the Corporate Services Division and the Ministry of Finance and the Public Service (MoFPS). Outstanding audit recommendations are monitored on a quarterly basis, with their status tracked and reported on quarterly via the Implementation Status of Audit Recommendations (ISOAR).

1.1.45. The Internal Audit Unit continues to lead the internal audit of the Department’s Quality Management System and participated in training in the Internal Quality Auditing as well as Root Cause Analysis. This assisted the Department in maintaining its ISO 9001:2015 Quality re-certification in

October 2024. The Unit maintains ongoing oversight of the Department's Quality Management System through regular follow-up reviews to ensure sustained compliance with ISO standards.

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

Table 3: Internal Audits Reviews completed

AUDIT TOPICS
Fixed Assets
Monthly Financial Statements
Salaries and Wages
Information Technology Controls
Appropriation Accounts (2023/2024)
Petty Cash
Overseas Travelling for the period ended March 31, 2024
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 appointment points under the new compensation system • Verification of Statutory contributions for officers that resigned/retired from the system • Verification of Vacation Leave and final payments for Officers who resigned from the service • Verification of Pension payments/Widows and Orphans returns to officers that resigned/retired from the service • Gratuity Payments • Verification of Performance based Salary arrears predating the compensation review

LOOKING FORWARD

1.1.47. In furtherance of its goal towards continuous improvement, the IAU is committed to self-improvement. A key part of this initiative is the utilization of the recently implemented Internal Audit Directorate Learning Management System. This will provide training in areas such as Data Protection, Risk Management as well as audit best practice which will augment training provided by the AuGD's Human Resource Department. The unit will continue to improve its IT capabilities in recognition of the role IT continues to play in the operations of the AuGD and remains committed to the goal of at least one IT audit per fiscal year.

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SECTION 2

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.

ASSURANCE AUDITS

Financial Statements and Appropriation Accounts

2.1.1. The services provided by the Assurance Audit Division 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 and Appropriation Accounts prepared and presented by management are free from material misstatements and are presented in accordance with the applicable financial reporting framework.

Performance Highlights

2.1.2. During the period under review, I certified 90 statements comprising 25 Appropriation Accounts and 65 Financial Statements. An additional 34 statements were completed and are either awaiting return from the MDAs or final quality control reviews. Another 93 statements comprising 47 Appropriation Accounts and 46 Financial Statements were at varying stages of work in progress. The significant findings from the Assurance Audits are included in Section 3.

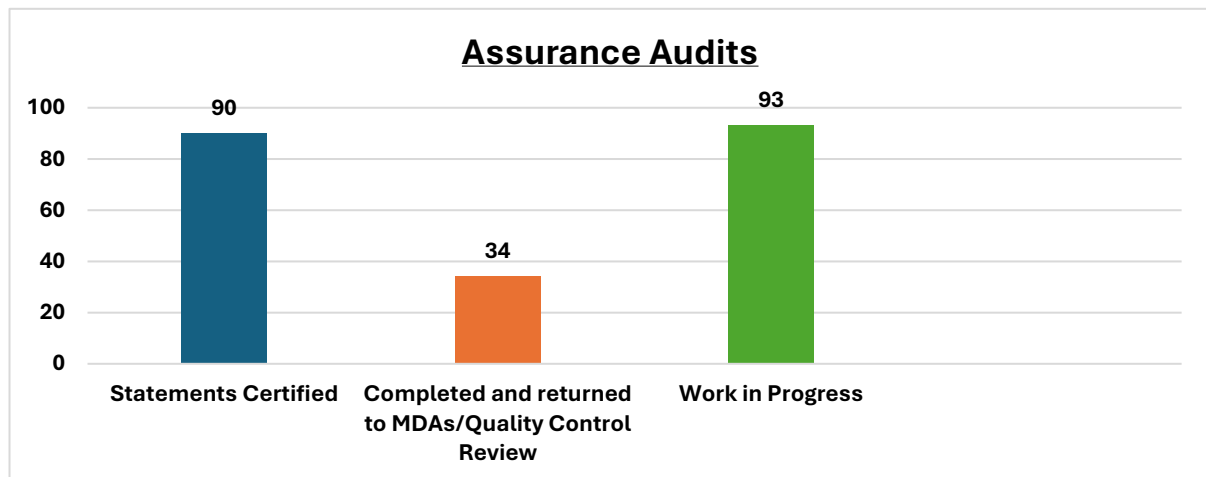
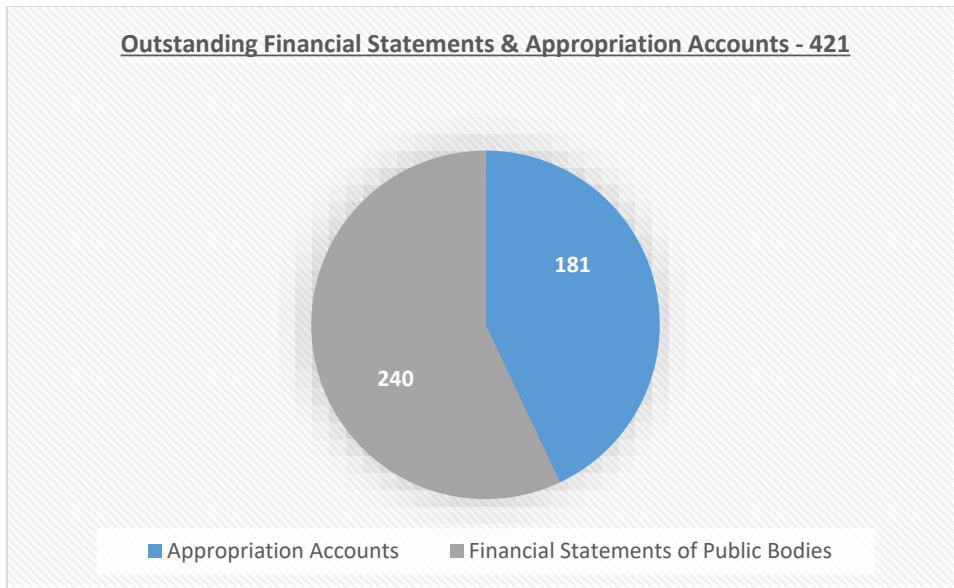


Chart 2

OUTSTANDING STATEMENTS

2.1.3. 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 421 statements were outstanding spanning financial years 2009/2010 to 2023/2024. Of this number, 181 represent Appropriation Accounts and 240 represent the Financial Statements of Public Bodies.

Chart 3



INFORMATION TECHNOLOGY AUDIT

THE YEAR IN REVIEW

2.2.1. The Information Technology Audit Unit (ITAU) continued to assist the financial audit function in the assessment of General IT Controls (GITCs) of public entities, which prepare financial records and statements using an information system and or productivity software. Our main objective was to evaluate the adequacy and operating effectiveness of the GITCs that support the financial reporting process. The ITAU mainly focused on the below control areas given the technology risks that may likely lead to material misstatements. The unit also planned Application Controls audits to determine whether sufficient and effective controls were implemented to ensure the accuracy, completeness and integrity of data input, processing and output.



Figure 8: Areas examined for high-risk general controls

2.2.2. Since our last report, General IT Control (GITC) reviews of 26 entities were undertaken with assessments in relation to 60 financial periods (Table 4). Notably, the total assessments conducted up to November 2024 represent an increase of 18 financial years when compared to the previous reporting period. Specifically, the ITAU between December 2023 and March 2024 completed reviews relevant to 25 financial years and issued five reports on the information security control weaknesses found. Additionally, GITC reviews relevant to 35 financial years were performed between 2024 April 1 and November 29, of which 16 years or 46 percent were in respect of high-risk entities. We also issued nine reports outlining the technology risks of the MDAs and reviewed all GITC assessments of medium risk entities performed by the Financial Statements Unit.

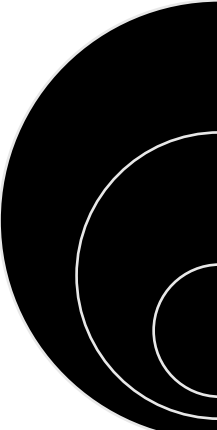
Table 4 – Summary of GITC Reviews conducted between December 2023 and November 2024

MDA	GITC Reviews (by financial years)	Controls Testing Completed by ITAU
1. Accountant General's Department (AcGD)	1	√
2. Administrator General's Department	2	
3. Anti-Dumping and Subsidies Commission (ADSC)	1	
4. Companies Office of Jamaica (COJ)	1	
5. Department of Government Chemist (DGC)	1	

MDA	GITC Reviews (by financial years)	Controls Testing Completed by ITAU
6. Export Division (ED)	1	
7. Independent Commission of Investigation (INDECOM)	1	
8. Institute of Jamaica (IoJ)	1	
9. Jamaica 4H Clubs	1	
10. Jamaica Customs Agency (JCA)	5	√
11. Jamaica National Heritage Trust (JNHT)	1	
12. Ministry of Agriculture and Fisheries	3	√
13. Ministry of Justice (MoJ)	3	√
14. Ministry of Local Government and Rural Development (MLGRD)	2	√
15. Ministry of National Security (MNS)	4	√
16. Ministry of Transport and Mining (MTM)	2	√
17. National Environment and Planning Agency (NEPA)	3	√
18. National Library of Jamaica (NLJ)	1	
19. National Youth Service (NYS)	1	
20. Office of the Prime Minister (OPM)	4	√
21. Passport Immigration and Citizenship Agency (PICA)	9	√
22. Police Department (PD)	6	√
23. Portland Municipal Corporation (PMC)	1	√
24. Post and Telecommunication Department (PTD)	2	√
25. Private Security Regulation Authority (PSRA)	1	
26. Tax Administration Department (TAJ)	2	√
Total	60	

2.2.3. Further, the unit issued a draft report on the Application Controls audit of the Jamaica National Insurance Software System (JNISS); however, it was not finalized as planned in March 2024 due to delays in obtaining responses from the auditee. Resources were also reassigned in September 2024 to conduct a real-time audit of the Reverse Income Tax Credit (RITC) initiative. The Application Controls audit of the Public Employees' Pension Administration System (PEPAS) scheduled for completion in December 2024 was suspended pending the opinion of the Attorney General on a matter.

Figure 9 – Summary of ITAU Achievements as at 2024 November 29

	<p>60 GITC reviews of 26 MDAs completed.</p> <p>14 reports issued highlighting inadequate GITCs and risks to the financial reporting process.</p>
	<p>291,171 Reverse Income Tax Credit (RITC) applicants confirmed as eligible, while 172 were rejected based on the eligibility criteria established by the Tax Administration Jamaica (TAJ).</p>
	<p>Jamaica National Insurance Software System (JNISS) draft report issued.</p>

OUR CHALLENGES

Inadequate resources to meet the demand for technology audits.

Untimely submission of responses/records by auditees.

Shortcomings in managing multiple audit projects simultaneously.

THE YEAR AHEAD

We will continue to apply a risk-based approach in the selection of audits.

We will seek to strengthen the capacity of the financial statement auditors in conducting General IT Control assessments as well as fill the post Director, IT Audit, which is currently vacant.

We will request data and information prior to planned audit periods.

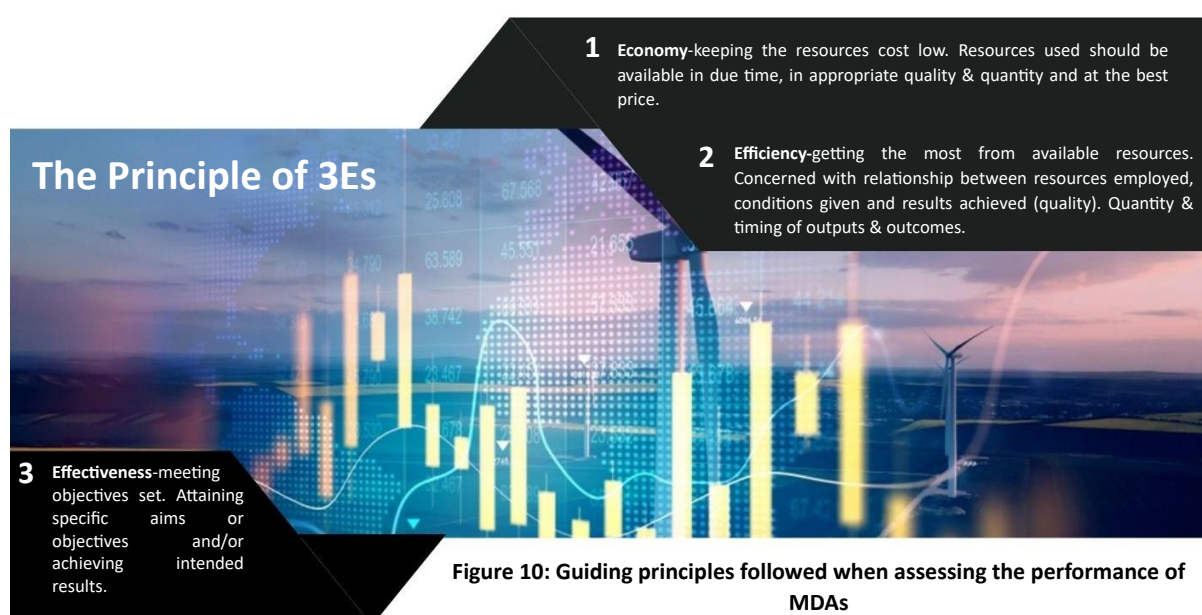
We will coach Team Leaders and implement a monitoring mechanism based on the respective project management challenges identified.

PERFORMANCE AUDIT UNIT

THE YEAR IN REVIEW

2.3.1. During 2024, the Performance Audit Unit's (PAU) audit plan continued to be informed by the Auditor General Department's (AuGD) strategic and operational objectives. We selected our audits using a risk-based and thematic approach, while considering the alignment of strategic and operational plans of our auditees, with Vision 2030 Jamaica National Development Plan (NDP) and the United Nations' Sustainable Development Goals (SDGs).

2.3.2. Performance audits seek to determine whether Ministries, Department and Agencies (MDAs) were achieving, efficiency, effectiveness and economy in use of public resources. Hence, the interest of Parliament and other stakeholders remained at the core of our audit selection process, as we sought to enhance the impact of our audit reports and strengthen public sector accountability, performance, and transparency through our recommendations.



ACHIEVEMENTS DURING 2024

Two (2) Audits Completed
Two (2) Audit Reports Tabled
Five (5) Audits in Progress

PERFORMANCE AUDIT REPORTS

2.3.3. Amongst the audits completed in 2024, was the two-year INTOSAI Development Initiative (IDI) Performance Audit - Progress towards Jamaica's Implementation of Climate Change Adaptation Plans and Actions, that commenced in July 2023. The conduct of a Climate Scanner - National Assessment of Jamaica by the Performance Audit Unit, between August and September 2024, which was unplanned, provided valuable information which enhanced the quality of the Climate Change Adaptation Plans and Actions, performance audit report, due in early 2025. The Climate Scanner is a

global initiative in which Supreme Audit Institutions (SAI) worldwide evaluate government actions related to climate change. It serves as a rapid assessment tool, primarily focusing on whether mechanisms, systems, or policies are present in each country rather than evaluating their effectiveness or outcomes. For the AuGD, the assessment focused on three axes: climate governance, public policies related to climate, and climate finance.

2.3.4. Other performance audits completed during 2024 included - Resource Management and Governance of the Office of Disaster Preparedness and Emergency Management (ODPEM) that commenced in the second quarter of 2023-24 and the cross-cutting audit - Managing Government's Social Benefit Programmes that commenced in the third quarter of FY2023-24. The audit of RADA's Production Incentive Programme (PIP), planned in the last quarter of FY2023-24, is scheduled for completion in the final quarter of FY2024-25. Included amongst five new performance audits planned for FY2024-25, was the audit of the Enforcement and Monitoring of the Mining and Quarrying Sector, Mines and Geology, which is scheduled for completion by end-FY2024-25. Of the remaining four, planning has commenced for two, namely- Enforcement and monitoring of Buildings and Sub-division Approvals and Procurement and Contract Management – Ministry of Health, while pre-planning for the Management of Investment and Development Lands and, Progress towards implementation of SDG 13 – Climate Change, is scheduled to be completed in FY2025-26.

QUANTITY

2.3.5. Our work programme in 2024 included four audits from previous work plans, and five new audits approved for FY2024-25 of which three were cross-cutting and as such, the duration of fieldwork is approximately nine months.

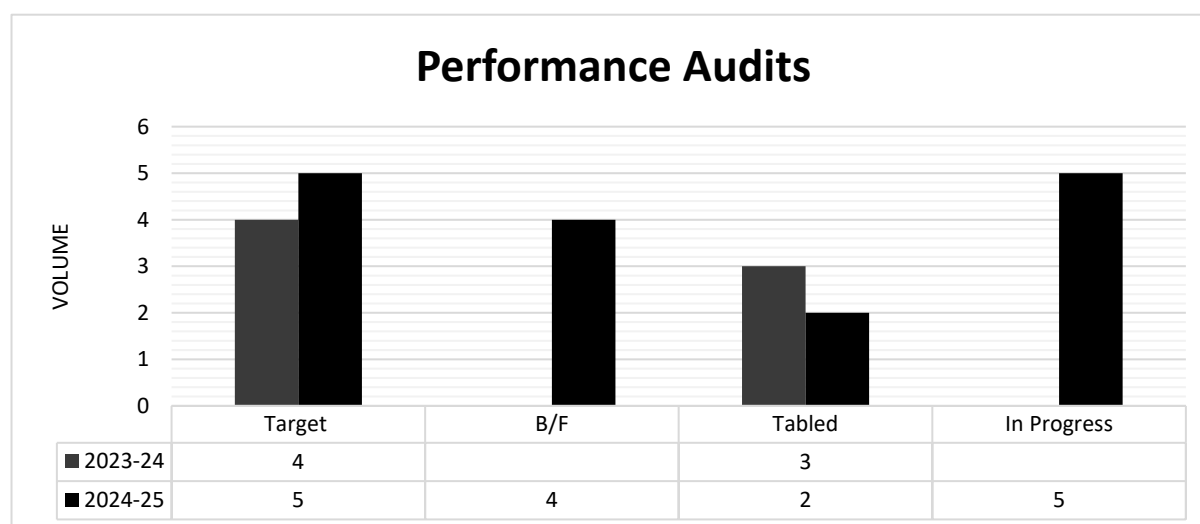


Chart 4: Overview of Audits conducted/work in progress

AUDIT COVERAGE

Audit	Audit Plan	Status	Date Tabled	Original Deadline	Deadline	Comments
Office of Disaster Preparedness & Emergency Management (AuGD's website)	2023-24	Completed	Dec 2024	Sept 2024	Not Met	Delayed by closure of ODPEM building Nov. 2023 and Jan 2024; malfunction of ODPEM's server; unavailability of some key personnel following Hurricane Beryl.
Managing Government's Social Benefit Programmes (cross-cutting) (AuGD's website)	2023-24	Completed	Submitted for tabling-Dec 2024	June 2024	Not met	Extended delays in provision of requested information and response to draft report; inconsistent data, unavailability of key personnel from some entities following Hurricane Beryl. Report was not tabled as Parliament is closed.
Cooperative Audit of Climate Change Adaptation Actions	2023-24	Reporting	NA	Mar 2025	On track	---
RADA - Production Incentive Programme (PIP)	2023-24	Reporting	NA	Sept 2024	Off track	Data challenges; staff constraints.
Enforcement and Monitoring of Mining and Quarrying	2024-25	Fieldwork	NA	Mar 2025	On track	---
Enforcement and Monitoring of Buildings and Sub-Divisions	2024-25	Planning	NA	Mar 2025	Off track	Due to staff constraints and delayed completion of Gov's social benefits audit
Procurement and Contracts Management - Ministry of Health	2024-25	Planning	NA	Mar 2025	Off track	Due to staff constraints and delayed completion of Gov's social benefits audit.
Management of Investment and Development Lands	2024-25	Pre-planning	NA	---	Off track	Due to staff constraints and delayed completion of RADA (PIP).
Progress towards implementation of SDG 13 – Climate Change	2024-25		NA	---	Delayed	Due to unplanned Climate Scanner assessment.

Table 5: Audits executed by the PAU and their status

QUALITY

2.3.6. 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 reviewed by the Department's Quality Assurance Unit.

TIMELINESS

2.3.7. The timing of our audit reports was largely affected by the manual nature of some MDA operations; the large volume of manual records to be reviewed; delays in provision of requested

documentation and feedback to queries; and in the case of one entity, inaccessibility for over two months, due to challenges in its operating environment.

LOOKING FORWARD

2.3.8. For FY2025-26, the number of cross-cutting, collaborative and environmental-related audits are expected increase as the AuGD seeks to incorporate where relevant, stakeholder feedback from the Strategic Planning Retreat held in 2024, in the AuGD' s Strategic Audit Plan for FY2025-26 to FY2027-28. At the same time, an enhancement in the capacity of the Performance Audit Unit's staff, to incorporate where possible, specialized skills, as well as by increasing the number of auditors, will be critical to the achievement of our targets.

ECONOMIC ASSESSMENT UNIT

THE YEAR IN REVIEW

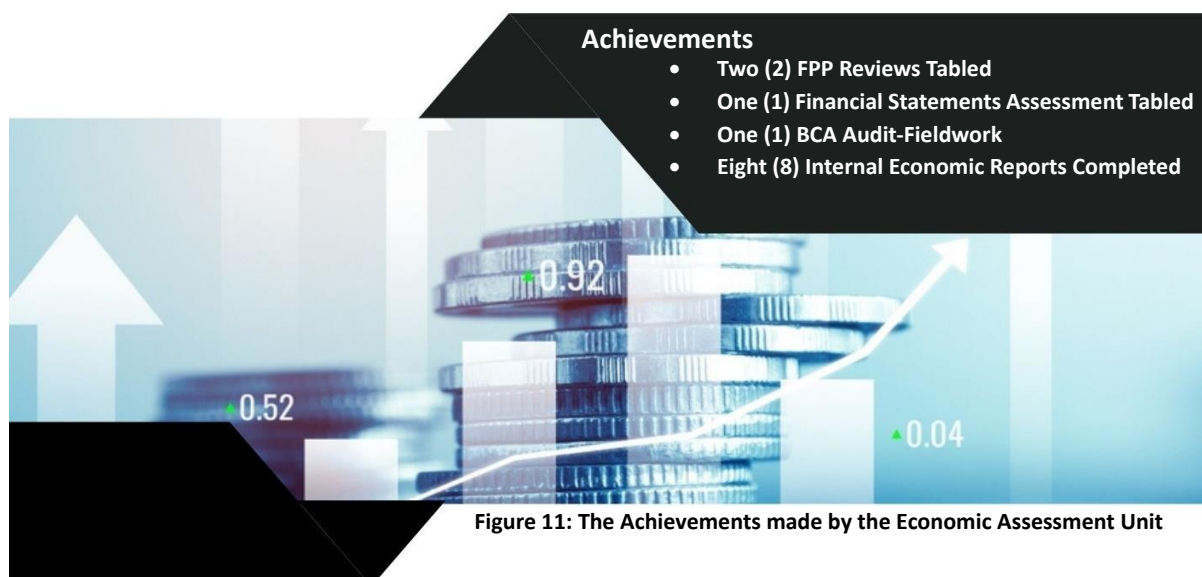


Figure 11: The Achievements made by the Economic Assessment Unit

2.4.1. 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 2024. Accordingly, the EAU aided the AG’s review of both the Fiscal Policy Paper (FPP) FY 2024/25 and the FPP FY 2024/25 Interim Report, consequent on the delay in commencement of operations by the Independent Fiscal Commission. The FPP review February 2024, was submitted to Parliament for tabling on February 28, 2024, within the deadline specified in the FAA Act. The interim review of the FPP was submitted October 28, 2024, one week after the deadline, due to delay in receipt of critical information from the Ministry of Finance.

2.4.2. On August 26, 2024, the EAU commenced its first audit of budget credibility, focusing on the National Water Commission’s (NWC) management of capital projects. The budget credibility audit of the National Water Commission is at the fieldwork stage of the audit and is scheduled for completion at end March 2025. Budget credibility refers to a government’s ability to meet its revenue and expenditure targets during the fiscal year. A budget credibility audit (BCA) seeks to identify and examine root causes of deviations, to improve budget preparation and execution. The BCA was planned and conducted in accordance with UNDESA/Internal Budget Partners (IBP) Handbook for auditors: Strengthening Budget Credibility through External Audits; AuGD’s Performance Audit Manual and Government Auditing standards applicable to performance audits; and the standards issued by International Organisation of Supreme Audit Institutions (INTOSAI).

2.4.3. At the same time, the financial statements assessment of the NWC that commenced in 2023 was not completed during 2024, as the entity’s audited financial statements for FY 2022/23 remained outstanding. A similar situation obtained for the Airport Authority of Jamaica (AAJ) whose FSA also commenced in 2023, as audited financial statements for FY 2021/2022 were incomplete. However, the FSA for the Jamaica Civil Aviation Authority (JCAA) was completed and tabled in Parliament on 26 February 2024, consequent on the receipt of all required financial statements.

Reports	Completed	Comments
Fiscal Policy Paper FY2024-25 (February) Review (Link to AuGD website)	28 February 2024	Tabled within period specified by the FAA Act
Fiscal Policy Paper FY2024-25 (Interim) Review (Link to AuGD website)	28 October 2024	Tabled one week late due to delay in receipt of requested documentation
FSAs: NWC; AAJ	Reports outstanding	Financial Statements for FY2021/22 for AAJ and FY2022/23 for NWC remain outstanding.

Table 6: Activities conducted by the EAU

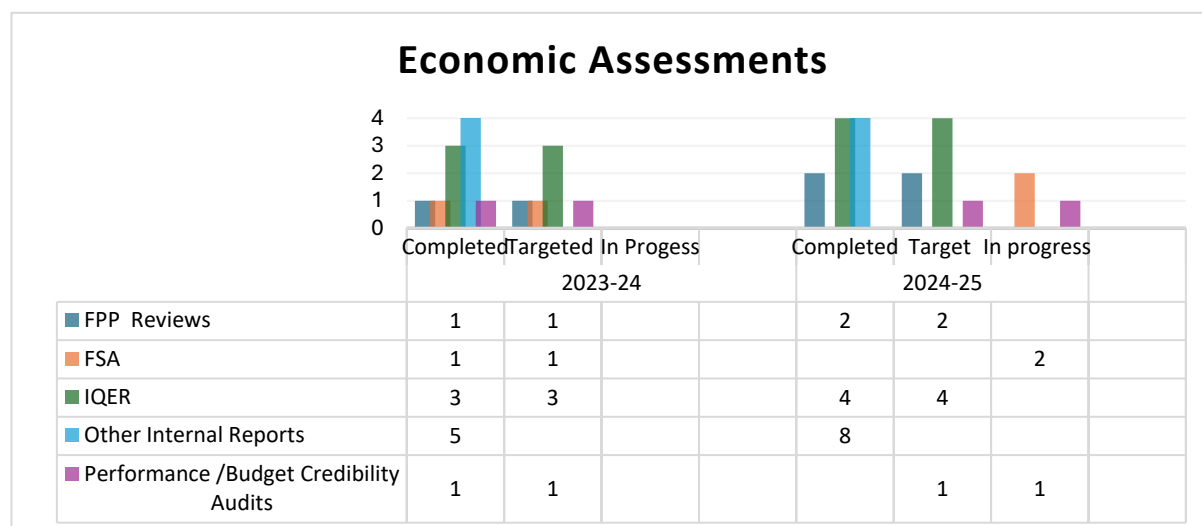


Chart 5: Status of activities undertaken by the EAU

INTERNAL REPORTS

2.4.4. During calendar year 2024, the EAU continued to inform staff on relevant economic developments through its preparation of internal quarterly reports (IQERS) on fiscal performance, timely economic bulletins and presentations on key economic concepts. Three IQERs were prepared covering the first half of FY 2024/25 while two bulletins were prepared on the IMF's second and third review of Jamaica. Economic concepts, explained presentations, aimed to demystify issues such as public debt, taxation, inflation and money supply.

QUALITY

2.4.5. The EAU conducted its review of the fiscal policy in accordance with requirements of the Financial Administration and Audit (FAA) Act and international standards issued by the International Association of Supreme Audit Institutions and the International Standard on Assurance Engagement (ISAE) 3000. The Department's Quality Assurance Unit also sought to confirm adherence to the required quality standards.

TIMELINESS

2.4.6. The achievement of deadlines for the financial statement analyses continued to be hindered by the unavailability of relevant audited financial statements. Based on the materiality of the Government's securitization transaction of AAJ revenue inflows, the Auditor General review of the FPP

FY 2024/25 interim report was delayed, in the absence of critical risk analysis by the Ministry of Finance.

LOOKING FORWARD

2.4.7. For 2025/2026 and beyond, audits of budget credibility will be the centerpiece of the EAU's workplan. At the same time, the unit will continue its use of risk-based approach to select public bodies for financial statements assessments of user-pays PPPs for minimal contingent liability, as they arise. Subject to a list of entities being provided by the Minister of Finance and The Public Service, the unit may also conduct validation assessments of the listed entities to determine whether they are deemed to be not part of the specified public sector in keeping with the FAA Fiscal Responsibility framework regulations. The unit will also continue its education programme to broaden staff's understanding of economic issues and concepts to enhance the analytical content of reports.

SPECIAL AUDIT UNIT (SAU)

THE YEAR IN REVIEW

2.5.1. During calendar year 2024, the number of requests from various stakeholders, for the Special Audits Unit (SAU), to verify allegations of questionable activities and transactions by Ministries, Departments and Agencies (MDA), exceeded that received in 2023. Given limited staff resources and the need to determine the veracity of each allegation, the Department adopted a high value risk-based approach for the selection of audits. Thereafter preliminary assessments were conducted to gain an understanding of the operations of the entity and to gauge whether there was sufficient cause to proceed with an audit. The criteria for the conduct 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 from the Ministry of Finance and the Public Service, as well as entity-specific legislation. Where the preliminary assessment determined that the allegation was outside the remit of the AuGD, the complaint was redirected to the appropriate agency and/or the complainant was advised.

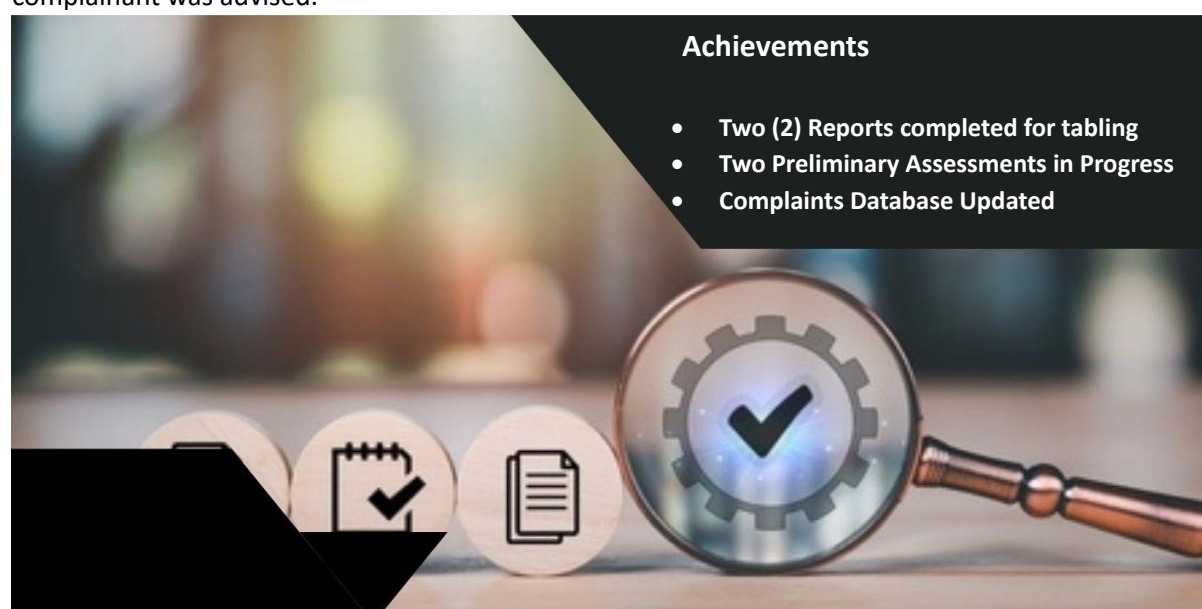


Figure 12: The achievements of the Special Audit Unit

STATUS OF REPORTS

AUDITS/ASSESSMENTS	STATUS
Report of Rural Agricultural Development's Authority's Distribution of Moroccan Fertilizer	To be submitted for Tabling
JTB's Overseas Travel Impact on Cash Flows	To be submitted for Tabling

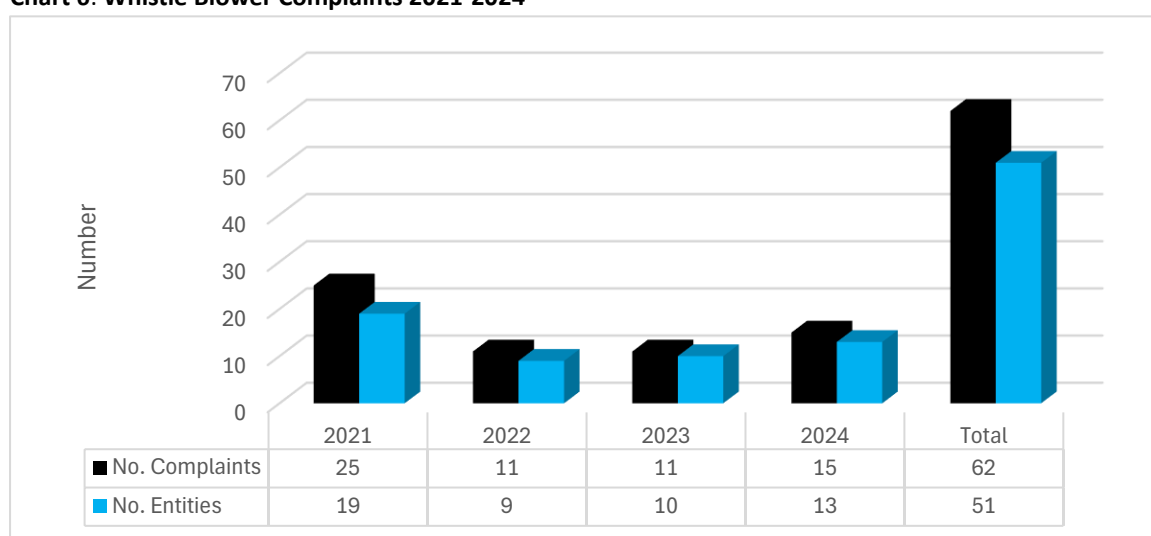
Table 7: Status of Special Audits

WHISTLEBLOWER ACTIVITY

2.5.2. During 2024, whistleblower complaints remained the major avenue utilised by the public for reporting allegations of fraud, misappropriation of funds allocated to MDAs, and failure to comply with the Government of Jamaica’s laws, policies, and procedures. A total of 15 whistleblower complaints were received, relating to 13 entities. Complaints were submitted via the Department’s website, email, formal letters, in-person visits and telephone. Most of the written complaints were anonymous, while a few included the complainant’s name.

2.5.3. The AuGD received 5 complaints relating to 4 entities under the Protected Disclosures Act (2011) during 2024, relative to two complaints in 2023. Procedural Guidelines outlining the mechanism by which employees of the AuGD and external parties can report improper conduct or occupational detriment, are posted on the Aud’s website.

Chart 6: Whistle Blower Complaints 2021-2024



THE WHISTLEBLOWER COMPLAINT ASSESSMENT PROCESS

2.5.4. All whistleblower complaints received were logged in the Department’s confidential database. Where complaints related to a private sector entity, these were not considered for further assessment and where a contact was provided, the complainant was advised to redirect the complaint to an appropriate entity. Public sector related complaints were separated into two major groups, those that required action by an external agency and those to be addressed internally. Preliminary assessments were conducted and presented to the Auditor General, to determine the appropriate actions to be taken.

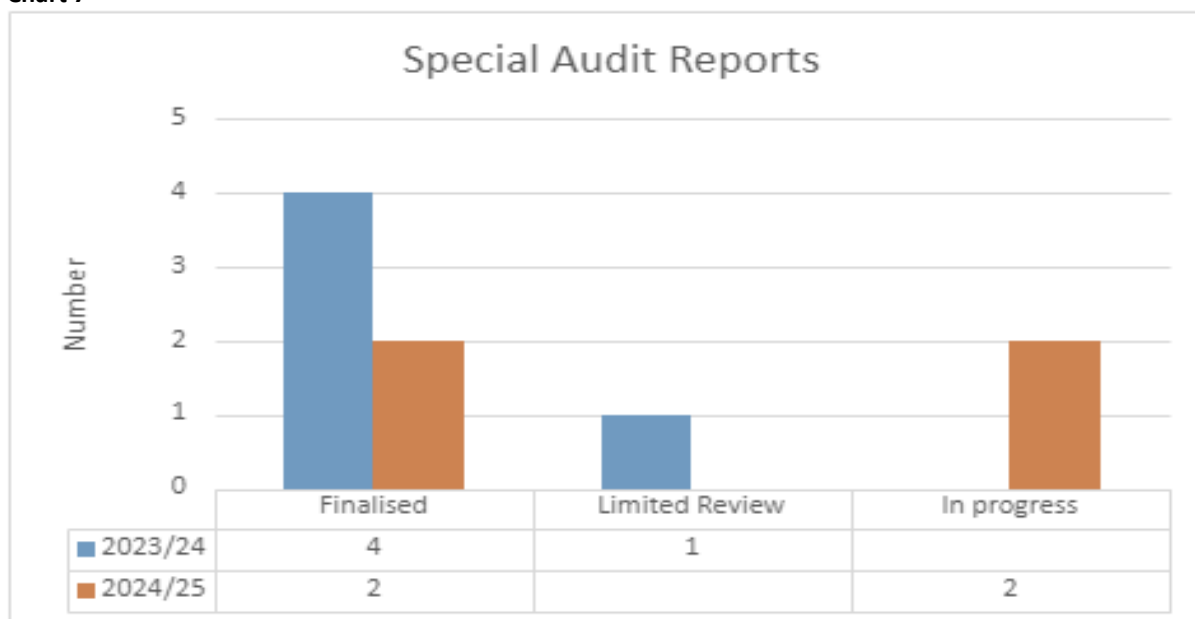
Table 8: Status of complaints received from whistleblowers in relation to entities

	2021	2022	2023	2024	Total
Referred Internally	6	2	1	0	9
Referred Externally	2	2	1	0	5
Awaiting Assessment	8	0	5	9	22
Audited/WIP	2	3	2	3	10
Beyond Scope*	1	2	1	1	5
Total	19	9	10	13	51

*The Complaint required input of the Judicial System

QUANTITY

2.5.5. Based on allegations received, two reports were submitted for tabling during 2024, one being the audit of RADA's distribution of Moroccan fertilizer which was conducted alongside a performance audit executed by the Performance Audits Unit. The other report was an assessment of allegations pertaining to JTB's executive travel that were not substantiated to warrant a special audit. The Unit is also in the process of reviewing documentation related to other allegations to ascertain whether to pursue more extensive assessment in the form of special audits or if those are outside the remit of the Auditor Generals Department.

Chart 7**QUALITY**

2.5.6. The Special Audit reports were prepared in accordance with the standards issued by the International Association of Supreme Audit Institutions (INTOSAI) for performance audits, AuGD's Special Audits Manual, Government regulations and guidelines and international best practices. The reports continued to be subjected to a layered internal review process, as well as review by the Quality Assurance Unit to confirm adherence to the Department's quality standards.

TIMELINESS

2.5.7. The timing of our audit reports was largely affected by delays in responses from the entities' as well as voluminous records not maintained electronically.

LOOKING FORWARD

2.5.8. 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.

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SECTION 3

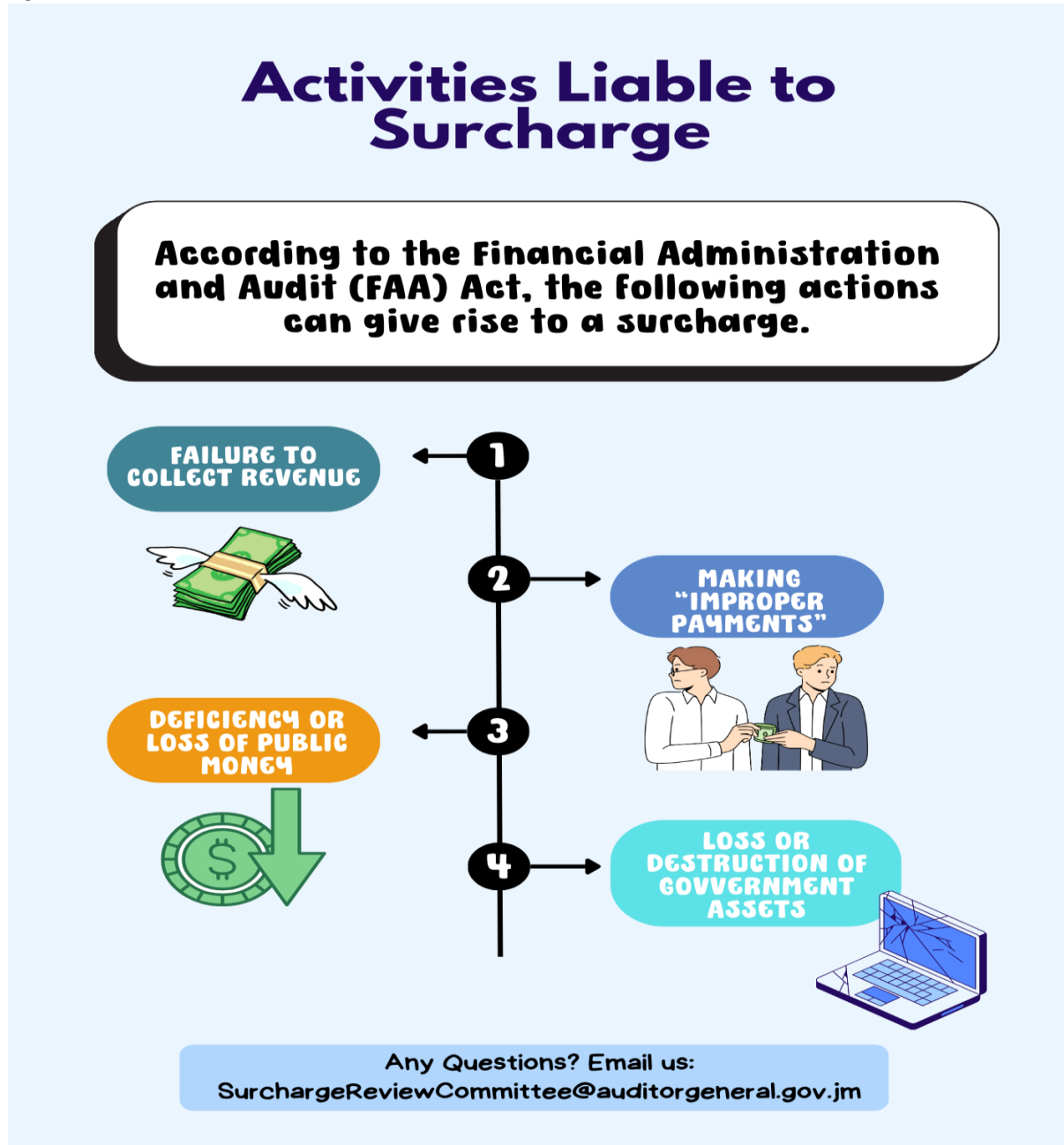
Key Highlights:

- Surcharge Review Committee (SRC) Report 2024
- PETROJAM 5 Billion Dollar Loan-Audit Findings
- Summary of Audit Findings

SURCHARGE REVIEW COMMITTEE (SRC) REPORT 2024

3.1.1. A surcharge may be levied on public officers, enabling the Government to recoup funds from individuals deemed negligent in their duties, which led to a financial loss for the Government. The Financial Administration and Audit (FAA) Act specifies the actions that can result in a surcharge:

Figure 13



3.1.2. The Auditor General has the responsibility to report these incidents and recommend the imposition of a surcharge. It is then up to the Financial Secretary to enforce surcharge in accordance with Section 20 of the FAA Act.

CASES RECEIVED AND REVIEWED BY THE SRC IN 2024

3.1.3. In 2024, the Surcharge Review Committee (SRC) received two cases for review. The first involves a damaged television set assigned to the Western Regional Office (WRO) of the Office of the Prime Minister (OPM). The SRC has recommended the termination of this matter due to the inability to definitively link the damage or loss to any specific individual, as there was insufficient presentation of information to reach a conclusion. The second issue involves an overpayment of travel allowances and mileage to a former Councillor at the St. Ann Municipal Corporation, which is currently under review by the SRC.


SRC MONITORING OF PREVIOUS CASES REPORTED TO THE FINANCIAL SECRETARY

3.1.4. In addition to monitoring activities that could result in surcharges, the SRC is tasked with tracking surcharge notifications from the Financial Secretary concerning cases reported by the Auditor General under Section 20 of the FAA Act. The Auditor General submitted six cases totalling \$1.8 billion to the Financial Secretary, between 2021 and 2024. However, no recoveries have been reported by the Financial Secretary to date. The Auditor General received notifications, which indicated that the Financial Secretary withdrew three of the cases, citing that the issues were no longer legally enforceable due to the expiration of the three-year period for imposing a surcharge. The table below outlines the status of the remaining cases being monitored by the SRC.

CASE No.	Entity	Date/Period of Loss	Date Received by SRC	Date Reported to FS	Value of Loss	Status
SRC2021-02	Overseas Examinations Commission	Feb 2020	Feb 2021	June 2021	\$1,653,165.43	
SRC2022-01	Firearm Licencing Authority	Jun 2018, Nov 2018, Dec 2018	Feb 2022	Apr 2022	\$1,049,990.63	
SRC2022-02	National Environment & Planning Agency	May 2021	Oct 2022	Nov 2022	\$249,999.97	
 Loss Recovered  Keep in View  Withdrawn						

Table 9: Status of remaining cases being monitored by the SRC

Overview *of the* Surcharge Review Committee



WHAT IS SURCHARGE?

Surcharge is a provision of the Financial Administration and Audit Act (FAA Act) that allows the Government to recover moneys from public officers found negligent in the exercise of their duties, resulting in a loss.




WHAT DO WE DO?

The SRC reviews activities liable to surcharge and prepares reports for the Auditor General.



WHAT DO WE REPORT?


- the amount or value of the deficiency or loss
- circumstances leading to deficiency or loss allegedly responsible officer(s)



OUR ACHIEVEMENTS


As at December 2024, based on the SRC's recommendations, the Auditor General reported 6 cases valuing a total of J\$1.8 billion to the Financial Secretary.

J\$1.8 BILLION



HOW TO REPORT A MATTER

- Principal Auditor should report the loss in the Audit Closeout Procedures OR based on reports from MDAs.
- Complete the Surcharge Review Form and submit to the SRC with relevant supporting documents.



CONTACT US

Send an email to:
SurchargeReviewCommittee@auditorgeneral.gov.jm




Figure 14: Overview of AuGD's Surcharge Committee

SUMMARY OF FINDINGS

3.2.1. The examination of the accounts of government ministries, departments, and agencies (MDAs) by the Auditor-General is a critical function as outlined in Section 24(1) of the **Financial Administration and Audit Act**. This mandate ensures the proper stewardship of public funds, reinforcing accountability and transparency within the public sector.

3.2.2. According to the Act, the Auditor-General is obligated to ensure that all government expenditures are undertaken with due regard for **economy, efficiency, and effectiveness**. This means that resources must be utilized judiciously, waste minimized, and objectives achieved in a cost-effective manner. The examination process also involves assessing whether adequate systems and controls are in place to achieve these outcomes. By ensuring these systems function effectively, the Auditor-General helps to prevent mismanagement, inefficiencies, and the misuse of public resources.

3.2.3. Furthermore, the Act requires the Auditor-General to examine the accounts of MDAs and provide an independent opinion on whether the financial transactions comply with the applicable financial reporting frameworks. This evaluation ensures adherence to established accounting principles and regulatory requirements, thereby safeguarding the integrity of financial reporting. Compliance with these frameworks is essential for maintaining the accuracy, consistency, and reliability of the government's financial statements, which are crucial for decision-making and public trust.

3.2.4. The Auditor-General's work plays a pivotal role in supporting good governance by identifying areas of concern and recommending improvements. This responsibility is not only a legal obligation but also a cornerstone of democratic accountability, ensuring that taxpayers' money is used for its intended purposes and in the best interest of the public.

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

- **Governance**-encompasses a set of principles, namely: accountability, fairness, transparency, and independence in ensuring that public sector bodies are properly managed. It is specifically focused on oversight and monitoring, transparency and accountability, and corporate planning and performance management.
- **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
Governance	
Service Delivery	
Project Management	
Resource Management	
Procurement and Contract Management	
Information Communication Technology	

MINISTRIES, DEPARTMENTS, AGENCIES, AND PROJECTS	SERVICE DELIVERY	PROJECT MANAGEMENT	RESOURCE MANAGEMENT	PROCUREMENT AND CONTRACT MANAGEMENT	GOVERNANCE	INFORMATION COMMUNICATION TECHNOLOGY
HEAD 06000: OFFICE OF THE SERVICES COMMISSION						
HEAD 08000: INDEPENDENT COMMISSION OF INVESTIGATIONS (INDECOM) – SERIOUS ORGANISED CRIME AND ANTI-CORRUPTION PROGRAMME (SOCAP)						
HEAD 15000: OFFICE OF THE PRIME MINISTER						
HEAD 15010: JAMAICA INFORMATION SERVICE						
HEAD 16049: MANAGEMENT INSTITUTE FOR NATIONAL DEVELOPMENT						
HEAD 17000: MINISTRY OF TOURISM						
HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION						
HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION – DEVELOPMENT BANK OF JAMAICA: BOOSTING INNOVATION, GROWTH & ENTREPRENEURSHIP ECOSYSTEMS PROGRAMME (BIGEE)						
HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION – DEVELOPMENT BANK OF JAMAICA: CREDIT ENHANCEMENT PROGRAMME FOR THE MICRO, SMALL AND MEDIUM ENTERPRISES (MSMES) PROJECT						
HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION – FOUNDATIONS FOR COMPETITIVENESS AND GROWTH PROJECT (FCGP) 2024						
HEAD 19046: FORESTRY DEPARTMENT						

MINISTRIES, DEPARTMENTS, AGENCIES, AND PROJECTS	SERVICE DELIVERY	PROJECT MANAGEMENT	RESOURCE MANAGEMENT	PROCUREMENT AND CONTRACT MANAGEMENT	GOVERNANCE	INFORMATION COMMUNICATION TECHNOLOGY
HEAD 19048: NATIONAL ENVIRONMENT AND PLANNING AGENCY – INTEGRATED WATER, LAND AND ECOSYSTEMS (IWEco) PROJECT						
HEAD 20012: MINISTRY OF FINANCE AND THE PUBLIC SERVICE – PUBLIC PROCUREMENT COMMISSION (PPC)						
HEAD 20060: FINANCIAL INVESTIGATIONS DIVISION						
HEAD 26000: MINISTRY OF NATIONAL SECURITY						
HEAD 26000: MINISTRY OF NATIONAL SECURITY – PRIVATE SECURITY REGULATION AUTHORITY						
HEAD 26057: POLICE DEPARTMENT						
HEAD 26057: INSTITUTE OF FORENSIC SCIENCE AND LEGAL MEDICINE (IFSLM), MINISTRY OF NATIONAL SECURITY						
HEAD 26024: DEPARTMENT OF CORRECTIONAL SERVICES						
HEAD 28000: MINISTRY OF JUSTICE						
HEAD 28058: JUDICIARY						
HEAD 28030: ADMINISTRATOR GENERAL'S DEPARTMENT						
HEAD 4000B: MINISTRY OF LABOUR AND SOCIAL SECURITY						
HEAD 42000: MINISTRY OF HEALTH AND WELLNESS						
HEAD 42000: MINISTRY OF HEALTH AND WELLNESS – NATIONAL COUNCIL ON DRUG ABUSE						
HEAD 42035: MINISTRY OF HEALTH AND WELLNESS – DEPARTMENT OF GOVERNMENT CHEMIST (GDC)						
HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING						
HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING – JAMAICA VETERINARY BOARD						
HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE – JAMAICA INTELLECTUAL PROPERTY OFFICE (JIPO)						
HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE – JAMAICA INTERNATIONAL FINANCEAL SERVICES AUTHORITY						
HEAD 53038: COMPANIES OFFICE OF JAMAICA						

MINISTRIES, DEPARTMENTS, AGENCIES, AND PROJECTS	SERVICE DELIVERY	PROJECT MANAGEMENT	RESOURCE MANAGEMENT	PROCUREMENT AND CONTRACT MANAGEMENT	GOVERNANCE	INFORMATION COMMUNICATION TECHNOLOGY
HEAD 56000: MINISTRY OF SCIENCE, ENERGY AND TECHNOLOGY-PETROJAM LOAN OF \$5 BILLION						
HEAD 72000: MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT						

HEAD 06000: OFFICE OF THE SERVICES COMMISSION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.6. During the period, I conducted the audit of the 2017/2018 and 2018/2019 Appropriation Accounts of the Office of the Services Commissions. The audit revealed that the Appropriation Accounts were prepared in all material respects, in accordance with the Financial Administration and Audit Act. We also noted that OSC did not have a formal IT security policy, which is mandated by the GoJ ICT Policy. The absence of this policy could expose related vulnerabilities, potentially compromising OSC's network and information systems.</p> <p>Recommendation</p> <p>3.2.7. We encouraged the OSC to conduct a thorough evaluation of their IT controls and use the findings to develop and implement the requisite IT security policy.</p> <p>3.2.8. Management has accepted our recommendation and committed to full compliance with the Government of Jamaica's guidelines.</p>	

HEAD 08000: INDEPENDENT COMMISSION OF INVESTIGATIONS (INDECOM) – SERIOUS ORGANISED CRIME AND ANTI-CORRUPTION PROGRAMME (SOCAP)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>Inadequate backup of accounting information</p> <p>3.2.9. The audit of the Serious Organised Crime and Anti-Corruption Programme (SOCAP) revealed that the project was exposed to a high risk of data loss due to the absence of effective back up policies and procedures to adequately safeguard its financial information. During our review of the programme's general IT controls, we noted that accounting records were maintained in Microsoft Excel on the Project Accountant/PFO's assigned computer. However, the records were not being consistently backed-up to ensure that the data is available in the event of a system failure, hardware damage or theft. Our review revealed that the most recent back up was done on October 15, 2023. The inadequate backup procedures may compromise the project's financial reporting process.</p>	

HEAD 15000: OFFICE OF THE PRIME MINISTER

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.10. During the period under review, I conducted the audits of the following four Appropriation Accounts for the Office of the Prime Minister:</p> <ul style="list-style-type: none"> • 2018/2019 Capital A. • 2020/2021 Recurrent and Capital. • 2021/2022 Recurrent. <p>3.2.11. The audits revealed a generally satisfactory state of affairs. However, management was advised to strengthen the controls over accounting for Appropriations-In-Aid.</p> <p>3.2.12. Additionally, expenditure disclosed in the 2020/2021 Capital Head Appropriation Accounts was overstated by \$72.25 million as it included payments totalling \$179.25 million that were made in the financial year 2019/2020 and excluded payments totalling \$107 million for March 2021. The overstatement was due to the processing and issuing of Warrants¹ after payments were made resulting in expenditure not being posted in the period incurred. This issue, which was the subject of previous audit reports relating to other Ministries, was formally brought to the attention of the Ministry of Finance and the Public Service (MOFPS) as it is not unique to the OPM. The matter relates specifically to expenditure from externally funded projects that are accounted for in the Capital Head Appropriation Accounts. However, the Ministries cannot record the expenditure in the Government Financial Management System (GFMS) until they have received a non-cash Warrant from the MOFPS. These non-cash Warrants give MDAs the authority to record the amounts already spent under these projects. Where the MOFPS fails to issue the appropriate non-cash Warrant within the relevant financial year or the Warrant is not sufficient to cover the expenditure already incurred, this results in a misstatement of expenditure in the Appropriation Accounts as amounts already spent would not be recorded as required.</p> <p>3.2.13. Going forward, the MOFPS should review and amend where necessary the current procedures to ensure that the Appropriation Accounts accurately reflect the expenditure incurred in keeping with the applicable financial reporting framework.</p>	\$72.25 million

HEAD 15000: OFFICE OF THE PRIME MINISTER - JAMAICA DISASTER VULNERABILITY REDUCTION (JDVR) AND RURAL ECONOMIC DEVELOPMENT INITIATIVE (REDI II) PROJECTS

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.14. During the period I conducted the audit of the 2023/2024 financial statements of the Jamaica Disaster Vulnerability Reduction and the Rural Economic Development Initiative Projects.</p> <p>PROJECT OVERVIEW</p> <p>Jamaica Disaster Vulnerability Reduction Project (JDVRP)</p> <p>3.2.15. The Jamaica Disaster Vulnerability Reduction Project (JDVRP) which seeks to enhance the climate and disaster resilience of key infrastructure assets and Jamaica’s disaster response capacity is funded by a US\$30 million loan from the International Bank for Reconstruction and Development (IBRD). The loan of US\$30 million should be 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 extended to June 28, 2024.</p> <p>3.2.16. 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. Accordingly, implementation of the JDVRP is anticipated 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.</p> <p>Rural Economic Development Initiative Project (REDI II)</p> <p>3.2.17. The Rural Economic Development Initiative (REDI) Project which seeks to enhance access to markets and to climate-resilient approaches for targeted beneficiaries, is funded by a US\$40 million loan from the International Bank for Reconstruction and Development (IBRD). The loan of US\$40 million should be disbursed over a period of five years from March 3, 2020.</p> <p>3.2.18. 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. The implementation of the Project is anticipated 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.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Main Findings</p> <p>3.2.19. The audit noted a general improvement in JSIF’s management and oversight of the accounting function and expenditure incurred represented transactions of the Projects. During the period, the performance targets for the JDVRP were achieved in all material respect in accordance with the Projects’ plan. However, significant improvement is required in the overall implementation and management of the REDI 11 Project to ensure the timely utilization of Loan Funds and achievement of the Project targets to meet the overall project outcomes as outlined below:</p> <p>JDVRP PROJECT STATUS</p> <p>3.2.20. The JDVR Project achieved 4 of 5 planned targets for the FY 2023/2024 and expended US \$26.7 million (90 %) from the US \$30 million loan facility. Also, at the close of the Project end date, June 2024, the JDVRP achieved practical completion on the 5th target – Annotto Bay Costal Protection that was outstanding.</p> <p>3.2.21. At the time of reporting, JSIF advised that all close out activities have been completed.</p>	
<p>REDI II Monitoring and Reporting Component 1</p> <p>3.2.22. Under Component 1 of the REDI 11 Project “Climate Resilience-Agricultural and Tourism Investment” JSIF advanced US\$296,326.58 to Coffee Traders to supply farming equipment and goods to coffee farmers, while RADA received farming supplies costing US\$200,924.58 from six suppliers for distribution to farmers under the Women and Youth Project on behalf of the REDI 11 Project to provide agronomical assistance to farmers to improve their agricultural output.</p> <p>3.2.23. These initiatives were guided by signed contracts and MOU, respectively. However, we found inconsistencies in JSIF’s monitoring of these initiatives. Whereas the Coffee Traders submitted three (3) reports to account for the amounts received and disbursed to the coffee farmers as required under the contract agreement, RADA did not submit the quarterly report stipulated in the MOU. This report should include information regarding sensitization of groups to the project, and activities undertaken to monitor and support sub-project implemented. However, RADA submissions to JSIF were in the form of a register that listed the beneficiaries under the project, inclusive of their names, contact details and the benefit they received.</p> <p>3.2.24. JSIF subsequently agreed that this is not the exact format set out in the MOU and advised that they will engage with RADA to make relevant amendments to the MOU by March 2025. This will ensure that the current</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>operationalized reporting mechanism is aligned with what is set out in the MOU.</p> <p>REDI II PROJECT STATUS</p> <p>3.2.25. The REDI II project as at 31 March 2024 spent \$5.4 million or approximately 13.6% of \$40 million on the loan facility. The Project achieved 7 of the planned 16 targets/indicators for the financial year 2023/2024; while the nine not yet achieved were at varying stages of implementation. Management indicated that the Project faced several challenges, including delays in the engagement of business development facilitators, a limited pool of technical experts, non-responsive bids, lengthy approval processes and disruptions in the logistics and supply chain.</p> <p>3.2.26. Nevertheless, JSIF indicated that the PIU subsequently utilized project management strategies to mitigate the challenges experienced, including varied procurement methodologies, accelerated operational processes and increased engagement with partner MDAs for problem-solving. Additionally, the Project was restructured in March 2024 to better reflect current priority needs for the sectors, which is expected to increase expenditure in the coming months.</p> <p>Recommendations</p> <p>3.2.27. JSIF was advised to closely monitor the strategies implemented to ensure the REDI II project activities that are lagging are completed within the disbursement period and in line with the loan agreement to mitigate the stated risks.</p> <p>3.2.28. JSIF should also implement a proper system that will ensure RADA submits detailed reports on their activities under Component 1 – sub-project as stated in the MOU. This will enhance the oversight and accountability of the Project, ensuring that the objectives to improve agricultural output are met and that the Project outcomes are successful.</p> <p>3.2.29. JSIF has since advised that they are in discussion with the World Bank to have the project extended, to ensure the completion of the planned activities.</p>	

HEAD 15020: OFFICE OF THE PRIME MINISTER – REGISTRAR GENERAL’S DEPARTMENT

ISSUE/CONCERNS	FINANCIAL EXPOSURE																												
GOVERNANCE																													
Outstanding Appropriation Accounts																													
<p>3.2.30. Section 24I (1) of the FAA Act requires accounting officers 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 allocation four months after the fiscal year. However, the Registrar General’s Department (RGD) did not submit four Appropriation Accounts representing accumulated budgetary allocation of approximately \$2.39 billion (<i>Table 10</i>) for the financial years 2014/2015 and 2021/2022 to 2023/2024 as required by the FAA Act. T</p> <p>Table 10: Budgetary allocation to Registrar General’s Department</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Approved Budget \$</th> <th>Date Received</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>2014/2015</td> <td>303,614,000</td> <td>Not submitted</td> <td></td> </tr> <tr> <td>2020/2021</td> <td>417,603,000</td> <td>2024-Feb-15</td> <td>Returned/Not Certified</td> </tr> <tr> <td>2021/2022</td> <td>614,065,000</td> <td>Not submitted</td> <td></td> </tr> <tr> <td>2022/2023</td> <td>959,369,000</td> <td>Not submitted</td> <td></td> </tr> <tr> <td>2023/2024</td> <td>516,078,000</td> <td>Not submitted</td> <td></td> </tr> <tr> <td>Total</td> <td>2,810,729,000</td> <td></td> <td></td> </tr> </tbody> </table>		Financial Year	Approved Budget \$	Date Received	Remarks	2014/2015	303,614,000	Not submitted		2020/2021	417,603,000	2024-Feb-15	Returned/Not Certified	2021/2022	614,065,000	Not submitted		2022/2023	959,369,000	Not submitted		2023/2024	516,078,000	Not submitted		Total	2,810,729,000		
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<p>3.2.31. Management subsequently advised that they are working to submit three outstanding Appropriation Accounts between January and March 31, 2025. They have also committed to addressing internal weaknesses to comply with Government guidelines regarding the timely submission of accounts.</p>																													

HEAD 16049: OFFICE OF THE CABINET - MANAGEMENT INSTITUTE FOR NATIONAL DEVELOPMENT

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.32. During the period under review, I completed the audit of the Financial Statements for the Management Institute for National Development for the financial year 2023/2024. I have issued an unqualified audit opinion on the Financial Statements. The audit revealed a satisfactory state of affairs over its financial operations and compliance with the regulations governing the</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Agency's operations, transactions were adequately supported, and controls were appropriately implemented to safeguard assets.</p> <p>3.2.33. Notwithstanding the following matter of concern was brought to management's attention:</p> <p>Improvement required over the Management of Trade Receivables¹</p> <p>3.2.34. Amounts owed to MIND for services that have been rendered but not yet paid for (Trade Receivables) was approximately \$204.4 million as at March 31, 2024, a decrease from the previous year's \$236.6 million. We noted \$135.7 million of these Receivables has been outstanding for periods in excess of 365 days, some from as early as 2011. This led MIND to make a provision for doubtful debts of \$132.7 million, representing 65 percent of the total Trade Receivables. MIND cited contributing factors such as students having financial difficulties and deferring studies for extended periods for the delayed collections. Section 2.3.2 of the Financial Instructions to Executive Agencies (FIEA) stipulates that Executive Agencies should establish adequate systems to recover the full cost of products and services.</p> <p>3.2.35. Management indicated that a receivables plan was developed, and the Agency will also seek the approval of the Ministry of Finance and Public Service to write off large amounts deemed uncollectible.</p> <p>3.2.36. Considering the delay in collecting amounts due to the Agency, there is increased exposure to financial losses as the debts become increasingly difficult to collect with the passage of time. A loss of \$47.7 million (representing 20 percent of the total Trade Receivables) was realized arising from bad debt that was written off with Cabinet's approval. This loss will negatively impact the Agency's cash flow position.</p>	

HEAD 17000: MINISTRY OF TOURISM

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.37. During the period under review, I conducted the audit of the Ministry of Tourism's 2018/2019 Recurrent Appropriation Accounts. The audit revealed the following areas of concern:</p> <p>Payments made on behalf of the Ministry by its portfolio agencies</p> <p>3.2.38. The Ministry of Tourism circumvented the requisite controls intended to prevent expenditure from exceeding the approved budgetary allocation by</p>	

¹ Trade receivables are amounts of money that a business is owed by its customers for goods or services that have been delivered but not yet paid for

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>employing a practice of requesting its portfolio agencies to make advance payments on the Ministry's behalf without going through the established commitment control process. For the period under review, the audit identified where the Ministry of Tourism made a total of 94 requests to two of its agencies to advance sums to cover expenditure totalling \$36,003,568.14. However, only \$30,424,181.68 was reimbursed by the Ministry in relation to the amounts requested during the year. This resulted in the Ministry's expenditure being understated by \$5,579,386.46 for the 2018/2019 financial year because it failed to fully reimburse the two agencies. Of the \$5,579,386.46 outstanding as at 2019 March 31, \$4,349,838.12 was reimbursed in 2019/2020.</p> <p>3.2.39. Additionally, advance payments totalling \$2,394,825.90 relating to the 2017/2018 financial year were reimbursed in 2018/2019 resulting in a corresponding overstatement of the 2018/2019 reported expenditure.</p> <p>3.2.40. Management was advised to strengthen its controls to ensure that no commitment is entered into without first establishing the availability of funds to meet the expenditure in keeping with the Financial Instructions. Steps should also be taken to ensure that all payments are processed through the GFMIS and eliminate the practice of using portfolio agencies to make advance payments on its behalf.</p> <p>3.2.41. In response, the Accounting Officer indicated that the <i>"request of the agencies to advance payments to suppliers was never due to lack of funds or to circumvent the controls, but rather to respond to urgent needs to fulfill the Ministry's financial obligations. The assistance of the agencies to advance payment on our behalf was due to the fact that some suppliers require pre-payment prior to the delivery of goods/services, e.g. overseas travel and hotel accommodation. It should be noted that the Ministry always ensures that adequate funds are available to meet its financial obligations. However, the system during the period of review was not sufficiently agile to respond to the Ministry's urgent financial obligations. Note also that many suppliers do not accept the Ministry's Purchase Orders. Due to the Shared Services arrangement with the Office of the Prime Minister (OPM), the Ministry of Tourism does not have direct access to make payments through the GFMIS. Given the dynamic nature of the Tourism sector and the short timeframe in which we frequently must make financial commitments and payments, it was not always possible for the OPM to honour the Ministry's payment obligations in a timely manner. The Ministry and OPM have since made strides to correct the situation. Currently, the Office of the Prime Minister (OPM), the Ministry's payment office, has put in place measures to ensure that there is quicker response time to the Ministry's needs. In addition, the reimbursements for 2018/2019 that were made to the agencies in 2019/2020 was because of the late submission of the reimbursement invoices. Measures for better control are now in place such as the requirement for invoices to be submitted within a week after the advance payment."</i></p>	<p>\$3.2 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Incorrect classification of transactions</p> <p>3.2.42. A review of the general ledger revealed that 14 expenditure transactions totalling \$7,396,145.64 were incorrectly classified as Object 25 instead of Object 22. Consequently, these transactions do not accurately reflect the nature of the underlying expenditure.</p>	\$7.4 million
<p>Unresolved Appropriations-in-Aid (AIA) Variances</p> <p>3.2.43. There was a significant variance of \$51,815,500.93 between the Ministry's records and the amount reported as AIA by TPDCo. This variance remained unresolved up to the time of this report. Management has since advised that steps will be taken to correct the error and strengthen the relevant controls to prevent a recurrence.</p>	\$51.8 million

HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.44. During the period under review, I completed the audits of the 2020/2021 and 2021/2022 Recurrent and Capital C Appropriation Accounts for the Ministry of Economic Growth and Job Creation (MEGJC). The audits revealed that the Appropriation Accounts were prepared, in all material respects, in accordance with the Financial Administration and Audit Act. However, the previously reported issue concerning the processing and issuing of non-cash Warrants and its impact on the timely recording of externally funded project expenditure remains unresolved as management indicated that they are still in dialogue with the MoFPS, with the aim of having the matter resolved.</p>	

HEAD 19000: MINISTRY OF ECONOMIC GROWTH AND JOB CREATION – DEVELOPMENT BANK OF JAMAICA: BOOSTING INNOVATION, GROWTH & ENTREPRENEURSHIP ECOSYSTEMS (BIGEE) PROGRAMME

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.45. The Boosting Innovation, Growth and Entrepreneurship Ecosystems (BIGEE) Programme provides funding to Micro, Small and Medium Enterprises (MSMEs) to promote innovation, productivity and sustainable growth. The project is funded by a US\$25 million loan from the Inter-American</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Development Bank (IDB) and is to be executed over five years from March 2020 to March 2025. The executing agency for this project is the Development Bank of Jamaica.</p> <p>3.2.46. The audit of the accounting records and financial transactions of the project for the year ended March 31, 2024, revealed that there was general compliance with the significant terms and conditions of the loan agreement of the BIGEE Programme. The transactions and related records of the Special Bank Account were found to be generally satisfactory. The project also achieved 13 of the 17 planned targets for the period. Management indicated that the remaining four targets were not achieved primarily due to revision of targets, lack of patentable inventions, delays experienced due to legal reviews and lack of awareness/interest from local corporate entities.</p> <p>3.2.47. Management subsequently advised that two of the four outstanding targets were achieved after the year-end. Additionally, the Programme has taken steps to implement public awareness strategies geared at improving participation from corporate entities and research efforts are being made to drive patentable inventions.</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	
<p>3.2.48. 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 was financed by a loan of US\$20 million from the IDB and had 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>3.2.49. The audit of the accounting records and financial transactions of the project for the closing out period April 1, 2023, to November 30, 2023, revealed that there was general compliance with the significant terms and conditions of the loan agreement of the Credit Enhancement Programme for MSMEs Project. The transactions and related records of the Special Bank Account were found to be generally satisfactory. The Credit Enhancement Programme for MSMEs Project has achieved all planned targets at the close of the 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	
<p>3.2.50. 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 had a period of execution of sixty months with effect from January 1, 2018. The Bank initially approved a 12-month extension of the final disbursement date to January 31, 2024. However, a further extension has since been granted to January 15, 2025.</p>	
<p>3.2.51. The audit of the accounting records and financial transactions of the project for the year ended March 31, 2024, 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 six of the eight planned targets for the year. To date the IBRD has disbursed a total of US\$9.4 million, which represents approximately 63% of the loan fund of US\$15 million.</p>	

HEAD 19046: FORESTRY DEPARTMENT

ISSUE/CONCERNS	FINANCIAL EXPOSURE
INFORMATION AND COMMUNICATION TECHNOLOGY	
<p>Weak IT Control Environment</p> <p>3.2.52. The audit of the Forestry Department revealed that the Department was exposed to an increased risk of loss due to the absence of an effective IT control environment. However, management has since taken steps to strengthen the agency's IT controls.</p>	
RESOURCE MANAGEMENT	
<p>Outstanding Appropriation Accounts</p> <p>3.2.53. 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>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE																						
<p>3.2.54. Though the Forestry Department has submitted its accrual financial statements up to the 2020/2021 financial year along with two of the previously reported outstanding Appropriations Accounts, the Agency's Accounting Officer did not submit 11 Appropriation Accounts².</p> <p>3.2.55. Management has since indicated that steps will be taken to submit the outstanding accounts before the end of the 2024/2025 financial year.</p> <p>Table 11: Budgetary Allocation to the Forestry Department</p> <table border="1" data-bbox="336 577 1031 1039"> <thead> <tr> <th>Financial Year</th> <th>Approved Budget [Gross] (\$)</th> </tr> </thead> <tbody> <tr> <td>2023/2024</td> <td>1,631,906,000</td> </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>TOTAL</td> <td>9,269,086,000</td> </tr> </tbody> </table> <p><i>*Heads 19046 & 21046</i></p>	Financial Year	Approved Budget [Gross] (\$)	2023/2024	1,631,906,000	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	TOTAL	9,269,086,000	\$9.3 billion
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HEAD 19048: NATIONAL ENVIRONMENT AND PLANNING AGENCY - INTEGRATED WATER, LAND AND ECOSYSTEMS (IWEco) PROJECT

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.56. During the period I conducted the audit of the Integrated Water, Land and Ecosystem (IWEco) Project for the four-year period ended December 31, 2022.</p> <p>3.2.57. The Integrated Water, Land and Ecosystem (IWEco) Project is financed by the United Nations Environmental Programme (UNEP) under the Global Environment Facility (GEF) grant of US\$3.114 million. The Project is also Co-financed by US\$10.343 million from various agencies and counterpart funding of US\$43.8 million provided by the Government of Jamaica. The UNEP grant of US\$3.114 million should be disbursed over a four-year period from May 31, 2018, when the agreement was signed. However, approval was granted by UNEP to extend the completion date to September 30, 2024, to facilitate the completion of the Project activities.</p>	

² The Forestry Department's accrual based financial statements up to the 2020/2021 financial year have been submitted for audit. The 2019/2020 and 2020/2021 financial statements were being audited at the time of this report.

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.58. The objective of the Project which is aligned to Outcome Number 13- Sustainable Management and use of Environmental and Natural Resources of the National Development Plan, Vision 2030, and Goal number 15 - Life on Land of the United Nation (UN) Sustainable Goals (SDG) is to promote conservation of internationally significant wetland biodiversity through the restoration of wetland ecosystem services and sustainable use of wetland biological resources. The three-fold overall goal of the Project is to (1) restore historical hydrological and other physical processes, (2) enhance and re-establish native vegetation communities to provide habitat to wetland fauna, (3) eliminate conflicts that degrade ecosystem functions and (4) implement institutional arrangements to ensure the long-term sustainability of wetland biological resources.</p> <p>Main Findings</p> <p>3.2.59. The audit disclosed that the Project’s accounts were properly maintained, expenditure transactions were supported by adequate documentation and were incurred in accordance with the objectives of the Grant agreement and GOJ’s guidelines. Notwithstanding, NEPA the implementing Agency, was encouraged to address the inadequacies in the management of its logical access controls to ensure compliance with the GOJ IT Security Policy and to strengthen the network and application security to prevent exposure of NEPA’s financial information.</p> <p>3.2.60. NEPA has since taken steps to address the inadequacies identified in the management of the logical access controls.</p> <p>Status of Project Activities</p> <p>3.2.61. At December 31, 2022, NEPA completed 16 of the 45 project activities and utilized US\$1.1M or 36.67 per cent of the grant fund, since the implementation of the IW Eco Project in 2018. We also noted that 5 activities were not started, 9 were in progress and 15 were discontinued. Due to delays in implementation of the Project activities, the audit noted that the completion date was extended in three instances from its original end date of May 31, 2021, to September 30, 2024. Also, arising from a peer review carried out by the UNEP, the Project was rescoped to 6 activities to ensure completion within the extended timeline.</p> <p>3.2.62. The slow implementation of the Project activities was attributed to resignation of the Project Officer, delays in filling the position along with other key posts, impacting the execution of the contracts. We also noted slippages of up to 2 years to complete activities, which the Agency ascribed to the passage of the COVID 19 Pandemic, the lengthy procurement process as well as the 18 months taken to complete the peer review.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.63. The delays in the completion of the project activities increase the risk of the project not achieving its intended objectives within the agreed timeline. This also increases the risk of the project losing grant funding which would result in reliance being placed on the Consolidated Fund to complete the outstanding activities.</p> <p>Recommendation</p> <p>3.2.64. Considering the IWEco Project is intrinsically aligned to Outcome #13-Sustainable Management and use of Environmental Natural Resources the NDP Vision 2030 and UN SDG Number #15 - Life on Land, it is important that NEPA review the Project monitoring and evaluating system with the aim of implementing strategies that will ensure the agreed targets are completed within the stipulated timeframe and mitigate the risk of the Project losing grant funding.</p> <p>3.2.65. Subsequent to the audit, the Project completed 4 of the 6 rescope activities. NEPA advised that for one (1) activity, the available timeline based on the disbursement of funds (August 2024) would not have allowed for the completion of the activity. The sixth activity, which is the audit of the second phase of the Project, has not commenced, as the Draft Financial Statements for the 2023 and 2024 Financial Years were not received.</p>	

HEAD 20000: MINISTRY OF FINANCE AND THE PUBLIC SERVICE – FOUNDATIONS FOR COMPETITIVENESS AND GROWTH PROJECT (FCGP) 2024

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.66. During the period I conducted the audit of the Foundations for Competitiveness and Growth Project (FCGP) financial statements for the period ended July 31, 2024.</p> <p>Project Overview</p> <p>3.2.67. 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 over a six-year period, September 3, 2014, to June 30, 2020. However, 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. The period April 2024 to July 2024 was used as the close out period to administer final payments relating to the project.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.68. The project development objective (PDO) 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.</p> <p>3.2.69. The outcome of this project 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>Main Findings</p> <p>3.2.70. The audit identified a general improvement in PIOJ’s management and oversight of the accounting function exemplified by the controls implemented and the timely updating of the accounting records. There was general compliance with the significant terms and conditions of the loan agreements and the expenditure incurred represented transactions of the Project.</p> <p>Status of Project Indicators</p> <p>3.2.71. For the period under review, the FCGP planned to achieve 23 intermediate Indicator under four main Project Development Objective Indicators (PDOI). At the close of the Project July 31, 2024, fourteen indicators were successfully attained, with seven exceeding requirements. For the remaining nine, five were at various stages of partial completion and four were classified as in-progress. Also, at the reporting period, the Project expended \$54.764 million, or 98% of the \$55.88 million combined loan facility.</p> <p>3.2.72. PIOJ indicated that they faced several challenges that delayed the completion of the four indicators that were classified as in-progress at the end of the reporting period. These included reluctance from some firms to engage in the debt resolution processes offered through the Office of the Supervisor of Insolvency (OSI) due to the cultural stigma associated with bankruptcy. The FCGP also reported challenges in the procurement process that caused delays in developing or upgrading government-to-business (G2B) platforms, and a preference for in-person building permit applications to agencies such as Municipal Corporations over online submissions through the Jamaica Development Application Portal (JDAP), which was supported by the project.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Recommendation</p> <p>3.2.73. Management was encouraged to expedite their efforts to complete the work in progress activities and achieve the stated project objectives.</p> <p>3.2.74. The PIOJ accepted our recommendation and indicated that the Project implementation will continue through funding from GoJ counterpart financing. As such, the four (4) in-progress indicator results are expected to be improved and mostly attained by March 31, 2025.</p>	

HEAD 20000: MINISTRY OF FINANCE AND THE PUBLIC SERVICE – PUBLIC PROCUREMENT COMMISSION (PPC)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.75. The audit of the Public Procurement Commission (PPC) for the period ended Mach 31, 2024 revealed that the accounting records were maintained in all material respect in keeping with the 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, 2024, and of its financial performance and its cash flows for the year then ended in accordance with IPSAS. Notwithstanding, PPC was advised to take urgent steps to strengthen the controls over the Commission’s ICT infrastructure and equipment to mitigate the risks identified.</p> <p>3.2.76. Management has since taken steps to strengthen the relevant controls.</p>	

HEAD 20000: MINISTRY OF FINANCE AND THE PUBLIC SERVICE – JAMAICA CUSTOMS AGENCY (JCA)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
INFORMATION & COMMUNICATIONS TECHNOLOGY	
<p>3.2.77. During the period, I conducted the audits of the 2019/2020 and 2020/2021 financial Statements. The audit revealed that the accounting records were maintained in all material respects in keeping with the GoJ established laws, and guidelines. The financial statements gave a true and fair view of the JCA’s financial position as at March 31, 2020 and 2021 and of its financial performance and its cash flows for the year then ended in accordance with IPSAS.</p>	

<p>3.2.78. Notwithstanding, JCA was encouraged to implement a robust user account management policy, including periodic access reviews, segregation of duties, and unique login credentials, which is crucial in strengthening the JCA's Information Systems control environment.</p>	
<p>3.2.79. JCA has since advised that steps have being taken to strengthen its IT control environment to mitigate the risk identified.</p>	

HEAD 20011: MINISTRY OF FINANCE AND THE PUBLIC SERVICE – ACCOUNTANT GENERAL’S DEPARTMENT (AcGD)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
Appropriation Accounts	
<p>3.2.80. During the period, I conducted the audit of the 2020/2021 Appropriation Accounts for the AcGD. The audit revealed that the Appropriation Accounts were prepared in keeping with the financial Administration and Audit Act. Notwithstanding, we advised Management to implement proper systems of controls that will ensure the AcGD consistently prepares bank reconciliation statement monthly and promptly clear the long outstanding reconciling items of \$367.2 million. This amount was identified on the reconciliation statements for five bank accounts. Further, the AcGD was not able to clear unverified credits totalling \$2.3 billion identified in the reconciliation process. These amounts represent direct bank deposits to the AcGD’s bank account for which there are no supporting documents to identify the depositor and the purpose for the deposit.</p> <p>3.2.81. The delayed reconciliation of bank accounts, sometimes by up to nine months, breached the Government of Jamaica guidelines.</p> <p>3.2.82. The AcGD advised that a Project Team was deployed to address the matter. Accordingly, at the time of reporting (December 2024) the unidentified deposits balance had reduced to \$161.2 million while the longstanding reconciling amounts reduced to \$200.6 million.</p>	<p>\$367.2 million</p> <p>\$2.3 billion</p>
Statement of Receipts and Payments of the Contingencies Fund - Statement J	
<p>3.2.83. The audit of the 2021/2022 Statement of Receipts and Payments of the Contingencies Fund – Statement J revealed that the Statement gave a true and fair view of transactions for the period and were presented in keeping with the Financial Administration and Audit Act. However, we reminded the AcGD of the need to implement proper systems of control</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>that will ensure interest earned are accounted for in a timely manner. AcGD has since taken steps to address this matter.</p> <p>Actual Expenditure from the Consolidated Fund Principal Bank Account as Compared with the Estimates of Expenditure - Statement C</p> <p>3.2.84. The audit of Statement C for the financial years 2019/2020 to 2021/2022 revealed a generally satisfactory state of affairs. However, we noted that even though the AcGD has the authorized Government Financial Management Information System (GFMS), the Department continues to use Excel spreadsheets to record transactions for Statement C. Section 8.5 (iv), of the Financial Instructions states that spreadsheet applications should only be used for internal management information and not for official accounting records. Management was encouraged to fast track the implementation of the GFMS to process transactions relating to Statement C as this will not only minimise the risks of data manipulation and errors but will also improve the efficiency in the preparation of the Statement.</p> <p>3.2.85. Management has taken steps to address the matter and advised that for the financial year 2024/2025, the GFMS will be used to generate Statement C.</p>	

HEAD 20056: MINISTRY OF FINANCE AND THE PUBLIC SERVICE – TAX ADMINISTRATION JAMAICA

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.86. During the period I conducted the audit of TAJ's 2022/2023 Appropriation Accounts. The audit revealed a generally satisfactory state of affairs. However, we noted that the controls TAJ implemented over the preparation of salaries were still not effective in preventing overpayments. For the financial year 2022/23, TAJ overpaid salaries totaling \$15.077 million to 520 employees. This was in addition to the prior year's overpayment balances of \$717,000 to 74 employees. At the time of reporting, TAJ recovered most of the overpayments leaving a balance of \$17,555</p> <p>3.2.87. As reported in the previous audit, the contributing factors for the overpayments included tardiness by Human Resource Management in communicating salary adjustments to the payroll unit and payment of full motor vehicle upkeep to officers whose motor vehicle documents had expired. Though TAJ has recovered most of the overpayments, these loopholes further exposed TAJ to fraudulent payments in the payroll process</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>and also places TAJ in a vulnerable position of not being able to recover the overpayments, especially from officers who separated from the entity. It is therefore crucial for TAJ to strengthen the controls over the payroll process to prevent and detect errors and irregularities.</p> <p>3.2.88. TAJ subsequently advised that controls are being implemented to prevent continued overpayment.</p> <p>Untimely reconciliation of Bank Accounts</p> <p>3.2.89. TAJ was not consistently reconciling the bank accounts on a timely basis as, contrary to GoJ requirement for monthly reconciliation of official bank accounts, TAJ took between 75 days and 219 days in some instances to complete bank reconciliation statements. Additionally, five bank reconciliation statements for March 2023 showed erroneous credits and debits totalling approximately \$696.6 million and \$52.5 million, respectively. Furthermore, the bank reconciliation statements for three bank accounts had unreconciled balances totaling \$14.5 billion. TAJ indicated that it faced difficulties obtaining the transaction details from the relevant banks.</p> <p>3.2.90. The untimely reconciliation of TAJ’s bank accounts and clearing of the reconciling items heightens the risk of late or non-detection of irregularities. There is also the matter of inaccurate tax status information that could arise from the records not being current to reflect recent payments TAJ advised that the delay in the preparation of the bank reconciliation was due to high staff turnover in the bank reconciliation unit.</p> <p>Recommendations</p> <p>3.2.91. Timely reconciliation is important for maintaining the integrity of financial records and ensuring the accuracy of tax information. Therefore, TAJ should establish robust financial controls that are aligned with a stringent monitoring system to mitigate the risks. TAJ should also ensure that the reconciling items are promptly investigated and cleared.</p> <p>3.2.92. Management subsequently advised that the Agency continues to implement strategies aimed at reducing the level of unidentified deposits and reducing the time taken to resolve erroneous debits and credits made by the banks. Some of the measures include the introduction of the DFTN (Direct Funds Transfer Number) process, which requires taxpayers to generate a DFTN prior to making a transfer to TAJ’s bank account; implementation of guidelines to address the issue of unidentified deposits; and integration of systems between TAJ, eGov, and the Accountant General’s Department.</p> <p>3.2.93. Up to the time of reporting TAJ brought the reconciliation statements of the mentioned bank accounts up to date. However, in October and</p>	<p>\$749.1 million</p> <p>\$14.5 billion</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
November 2024, the erroneous credits and debits increased to approximately \$198.7 million and \$909.3 million, respectively for the five bank reconciliation statements.	

HEAD 20060: MINISTRY OF FINANCE AND THE PUBLIC SERVICE - FINANCIAL INVESTIGATIONS DIVISION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.94. During the period, I conducted the audits of the 2018/2019, 2019/2020 and 2020/2021 financial statements of the Financial Investigations Division. The audit revealed a generally satisfactory state of affairs.</p>	

HEAD 26000: MINISTRY OF NATIONAL SECURITY – FIREARM LICENSING AUTHORITY

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
INFORMATION AND COMMUNICATION TECHNOLOGY	
<p>3.2.95. During the period under review, I completed the audit of the financial statements of the Firearm Licensing Authority for the financial year 2019/2020. The audit revealed that there was a breakdown in the controls over the reconciliation of closing and opening balances, management of property, plant and equipment (PPE), revenue recognition, access to the accounting system and the preparation of journals. The Authority also did not have an effective and efficient system to provide the requisite audit schedules and supporting documents in a timely manner for amounts included in its financial statements. This resulted in significant delays in the finalisation of the audit of the 2019/2020 financial statements.</p> <p>3.2.96. Management has since taken steps to strengthen the relevant controls.</p>	

HEAD 26000: MINISTRY OF NATIONAL SECURITY – PRIVATE SECURITY REGULATION AUTHORITY

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
INFORMATION AND COMMUNICATION TECHNOLOGY	
<p>3.2.97. During the period under review, I completed the audit of the 2021/2022 financial statements of the Private Security Regulation Authority. The audit revealed a generally satisfactory state of affairs. However, management was advised to strengthen the Authority’s general IT controls to prevent unauthorised access or changes to its systems.</p>	

HEAD 26022: MINISTRY OF NATIONAL SECURITY - POLICE DEPARTMENT

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 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>3.2.99. The Department’s Accounting Officer did not submit four Appropriation Accounts representing an accumulated budgetary allocation of approximately \$220.4 billion (<i>Table 12</i>) for the financial years 2020/2021 to 2023/2024 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. In response, management attributed the non-submission of the statements to “<i>staffing issues being encountered within the Finance Branch</i>”. However, the Department is “<i>actively pursuing strategies to enhance its internal capacity</i>”.</p> <p>Table 12: Budgetary Allocation to the Police Department</p> <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Approved Budget [Gross] (\$)</th> </tr> </thead> <tbody> <tr> <td>2023/2024</td> <td>68,129,174,000</td> </tr> <tr> <td>2022/2023</td> <td>62,496,462,000</td> </tr> <tr> <td>2021/2022</td> <td>47,002,734,000</td> </tr> <tr> <td>2020/2021</td> <td>42,735,333,000</td> </tr> <tr> <td>TOTAL</td> <td>220,363,703,000</td> </tr> </tbody> </table>	Financial Year	Approved Budget [Gross] (\$)	2023/2024	68,129,174,000	2022/2023	62,496,462,000	2021/2022	47,002,734,000	2020/2021	42,735,333,000	TOTAL	220,363,703,000	\$220.4 billion
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HEAD 26024: MINISTRY OF NATIONAL SECURITY - DEPARTMENT OF CORRECTIONAL SERVICES

ISSUE/CONCERNS	FINANCIAL EXPOSURE																
RESOURCE MANAGEMENT																	
<p>Outstanding Appropriation Accounts</p> <p>3.2.100. 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> <table border="1" data-bbox="244 734 1161 1653"> <tr> <td data-bbox="244 734 943 1406"> <p>3.2.101. The Ministry's Accounting Officer did not submit five Appropriation Accounts representing an accumulated budgetary allocation of approximately \$47.8 billion (Table 13) for the financial years 2019/2020 to 2023/2024 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 Appropriation Accounts for 2020/2021 to 2022/2023 were reviewed by the internal auditors and the responsible officers are in the process of responding to the internal audit findings. Additionally, steps are being taken to prepare the 2019/2020 and 2023/2024 Appropriation Accounts.</p> <p>Table 13: Budgetary Allocation to the DCS</p> <table border="1" data-bbox="244 1368 1161 1653"> <thead> <tr> <th data-bbox="244 1368 943 1406">Financial Year</th> <th data-bbox="943 1368 1161 1406">Approved Budget [Gross] (\$)</th> </tr> </thead> <tbody> <tr> <td data-bbox="244 1406 943 1444">2023/2024</td> <td data-bbox="943 1406 1161 1444">10,849,848,000</td> </tr> <tr> <td data-bbox="244 1444 943 1482">2022/2023</td> <td data-bbox="943 1444 1161 1482">11,774,121,000</td> </tr> <tr> <td data-bbox="244 1482 943 1520">2021/2022</td> <td data-bbox="943 1482 1161 1520">8,673,524,000</td> </tr> <tr> <td data-bbox="244 1520 943 1559">2020/2021</td> <td data-bbox="943 1520 1161 1559">8,587,870,000</td> </tr> <tr> <td data-bbox="244 1559 943 1597">2019/2020</td> <td data-bbox="943 1559 1161 1597">7,899,526,000</td> </tr> <tr> <td data-bbox="244 1597 943 1653">TOTAL</td> <td data-bbox="943 1597 1161 1653">47,784,889,000</td> </tr> </tbody> </table> </td> <td data-bbox="943 734 1161 1653"> <p>Approved Budget [Gross] (\$)</p> </td> </tr> </table>	<p>3.2.101. The Ministry's Accounting Officer did not submit five Appropriation Accounts representing an accumulated budgetary allocation of approximately \$47.8 billion (Table 13) for the financial years 2019/2020 to 2023/2024 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 Appropriation Accounts for 2020/2021 to 2022/2023 were reviewed by the internal auditors and the responsible officers are in the process of responding to the internal audit findings. Additionally, steps are being taken to prepare the 2019/2020 and 2023/2024 Appropriation Accounts.</p> <p>Table 13: Budgetary Allocation to the DCS</p> <table border="1" data-bbox="244 1368 1161 1653"> <thead> <tr> <th data-bbox="244 1368 943 1406">Financial Year</th> <th data-bbox="943 1368 1161 1406">Approved Budget [Gross] (\$)</th> </tr> </thead> <tbody> <tr> <td data-bbox="244 1406 943 1444">2023/2024</td> <td data-bbox="943 1406 1161 1444">10,849,848,000</td> </tr> <tr> <td data-bbox="244 1444 943 1482">2022/2023</td> <td data-bbox="943 1444 1161 1482">11,774,121,000</td> </tr> <tr> <td data-bbox="244 1482 943 1520">2021/2022</td> <td data-bbox="943 1482 1161 1520">8,673,524,000</td> </tr> <tr> <td data-bbox="244 1520 943 1559">2020/2021</td> <td data-bbox="943 1520 1161 1559">8,587,870,000</td> </tr> <tr> <td data-bbox="244 1559 943 1597">2019/2020</td> <td data-bbox="943 1559 1161 1597">7,899,526,000</td> </tr> <tr> <td data-bbox="244 1597 943 1653">TOTAL</td> <td data-bbox="943 1597 1161 1653">47,784,889,000</td> </tr> </tbody> </table>	Financial Year	Approved Budget [Gross] (\$)	2023/2024	10,849,848,000	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	47,784,889,000	<p>Approved Budget [Gross] (\$)</p>	<p>\$47.8 billion</p>
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HEAD 26057: MINISTRY OF NATIONAL SECURITY - INSTITUTE OF FORENSIC SCIENCE AND LEGAL MEDICINE (IFSLM)

ISSUE/CONCERNS	FINANCIAL EXPOSURE																		
RESOURCE MANAGEMENT																			
<p>Outstanding Appropriation Accounts</p> <p>3.2.102. 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 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>3.2.103. The Institute’s Accounting Officer did not submit seven Appropriation Accounts representing an accumulated budgetary allocation of approximately \$6.2 billion (<i>Table 14</i>) for the financial years 2017/2018 to 2023/2024 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>3.2.104. Management subsequently indicated that four Appropriation Accounts were submitted to the Internal Auditors for verification. However, one of the Accounts was returned by the auditors for the Institute to resolve certain discrepancies. Management also advised that the Institute is in the process of preparing the other three outstanding Appropriation Accounts.</p> <p>Table 14: Budgetary Allocation to the IFSLM</p> <table border="1" data-bbox="352 1346 997 1720"> <thead> <tr> <th>Financial Year</th> <th>Approved Budget [Gross] (\$)</th> </tr> </thead> <tbody> <tr> <td>2023/2024</td> <td>1,183,254,000</td> </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>6,189,506,000</td> </tr> </tbody> </table>	Financial Year	Approved Budget [Gross] (\$)	2023/2024	1,183,254,000	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	6,189,506,000	\$6.2 billion
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TOTAL	6,189,506,000																		

HEAD 28000: MINISTRY OF JUSTICE

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.105. During the period under review, I conducted the audit of the Ministry of Justice’s 2019/2020 Recurrent and Capital Appropriation Accounts. The audit revealed general IT control vulnerabilities and weaknesses in the controls over fixed assets and bank reconciliation.</p>	
<p>3.2.106. Management subsequently advised that steps will be taken to strengthen the relevant controls.</p>	
<p>Overstatement of Expenditure on Capital ‘C’ Head</p>	
<p>3.2.107. The 2019/2020 Capital C Head Appropriation Account was overstated by \$13,233,000 because it included expenditure totalling \$20,834,000, which related to the financial year 2018/2019 and excluded expenditure for March 2020 totalling \$7,601,000. The overstatement was due to the processing and issuing of Warrants after payments were made resulting in expenditure not being posted in the period incurred.</p>	\$13.23 million
<p>3.2.108. This issue, which was the subject of previous audit reports relating to other Ministries, was formally brought to the attention of the Ministry of Finance and the Public Service (MOFPS) as it is not unique to the MOJ. The matter relates specifically to expenditure from externally funded projects that are accounted for in the Capital Head Appropriation Accounts. However, the Ministries cannot record the expenditure in the Government Financial Management System (GFMS) until they have received a non-cash Warrant from the MOFPS. These non-cash Warrants give MDAs the authority to record the amounts already spent under these projects. Where the MOFPS fails to issue the appropriate non-cash Warrant within the relevant financial year or the Warrant is not sufficient to cover the expenditure already incurred, this results in a misstatement of expenditure in the Appropriation Accounts as amounts already spent would not be recorded as required.</p>	
<p>3.2.109. Going forward, the MOFPS should review and amend where necessary the current procedures to ensure that the Appropriation Accounts accurately reflect the expenditure incurred in keeping with the applicable financial reporting framework.</p>	

HEAD 28030: MINISTRY OF JUSTICE - ADMINISTRATOR GENERAL'S DEPARTMENT

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.110. During the period under review, I completed the audit of the 2021/2022 Financial Statements of the Administrator General's Department. The audit revealed a generally satisfactory state of affairs.</p>	

HEAD 28058: MINISTRY OF JUSTICE - JUDICIARY

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.111. During the period under review, I completed the audits of the Appropriation Accounts of the Judiciary for the financial years 2019/2020 and 2020/2021. The audit of the accounting records and financial transactions revealed a generally satisfactory state of affairs for both years. However, management was advised to strengthen its system of commitment planning and control to ensure that funds are available before expenditure is incurred and to prevent the unauthorized reallocation of funds. Management was also advised to strengthen its controls to ensure that access to the Government Financial Management System (GFMS) is consistent with the functional responsibilities of each employee.</p> <p>3.2.112. Management subsequently indicated that steps have since been taken to strengthen the relevant controls.</p>	

HEAD 40000B: MINISTRY OF LABOUR AND SOCIAL SECURITY

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Submission of Outstanding Appropriation Accounts</p> <p>3.2.113. The Ministry of Labour and Social Security (MLSS) made noted improvements in the submission of its Appropriation Accounts since this issue was raised in previous reports. During the period, the MLSS submitted eight Appropriations Accounts; 2012/2013, 2017/2018 and 2019/2020-2021/2022 for Capital B and 2018/2019 to 2020/2021 for the Recurrent Appropriation Accounts. However, up to the time of reporting, the MLSS had not submitted three Appropriation Accounts for the period 2021/2022 to 2023/2024, with approved budget allocation of \$54.518 billion.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.114. The MLSS has since advised that the 2022-2023 would have been submitted by December 6, 2024. MLSS also indicated that the accountant is making corrections to the 2021/2022 Accounts to resend to the Internal Auditor along with the 2023/2024 Appropriation Accounts.</p> <p>Appropriation accounts – 2013/2014 to 2018/2019</p> <p>3.2.115. During the period I conducted the audit of the Capital B Appropriation Accounts for the six-year period ended March 31, 2014, to March 31, 2019. The audit revealed that improvement was needed in the MLSS’s review and monitoring system over the preparation and presentation of the Appropriation Accounts. The absence of such system can affect the reliability of financial information, which is crucial for informed decision-making within the Ministry. I also issued a qualified audit opinion on the 2013/2014 Recurrent Appropriation Accounts because the Ministry of Labour and Social Security did not provide sufficient appropriate audit evidence to support expenditure totalling \$494.17 million and Appropriation in Aid collections totalling \$627.99 million</p> <p>Unauthorized Reallocation of Approved Capital Funds</p> <p>3.2.116. The MLSS did not obtain the requisite approval for the reallocation of appropriated funds totalling \$145.95 million, to facilitate excess expenditure on Capital B projects for these years. Section 21(2b) of the 2015 Financial Management Regulations and Section 3.7 of the Financial Instructions prohibits such reallocation. Furthermore, we found no evidence that the MLSS informed the MoFPS of the reallocated Capital Expenditure for inclusion in the related Supplementary Estimates of Expenditure. The MLSS’s breach of the GoJ Budgetary Controls guidelines undermines GoJ’s effort to control public sector spending and exposes the Ministry to budget over run, which could impact the GoJ’s budget credibility.</p> <p>Recommendation</p> <p>3.2.117. The MLSS was advised to implement a proper system of controls over the preparation and submission of the appropriation accounts to ensure compliance with GoJ established guidelines and the FAA Act.</p> <p>3.2.118. The MLSS accepted the findings and informed us that they have recruited more staff for the Accounts and Internal Audit Unit. The Ministry also advised that they are providing training for staff members to prevent similar issues in the future.</p>	<p>\$494.17 million \$627.99 million</p> <p>\$145.95 million</p>

HEAD 41000: MINISTRY OF EDUCATION, SKILLS, YOUTH AND INFORMATION (MOESYI)

ISSUE/CONCERNS	FINANCIAL EXPOSURE						
Resource Management							
Outstanding Appropriation Accounts							
<p>3.2.119. The MOESYI has made stride in addressing the backlog in the submission of outstanding Appropriation Accounts since this matter was raised in previous reports. Subsequent to the draft report that was issued in November 2024, the MOESYI submitted 9 Appropriation Accounts for the periods 2012/2013 to 2015/2016 for its Recurrent and Capital Heads. At the time of reporting the MOESYI had 14 outstanding Appropriation Accounts for the six-year period 2016/17 to 2017/18 and 2020/21 to 2023/24. Over this six-year period, Parliament approved \$729.9 billion (Table 15) for the management and administration of public education in Jamaica by the MOESYI.</p> <p>3.2.120. The FAA Act requires Accounting Officers 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 allocation, 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>3.2.121. The delay in the submission of the Appropriation Accounts undermines good governance practice as it denies Parliament, the citizen of Jamaica and the MoFPS timely information to make strategic decision on the implementation of the MOESYI' approved budgets, as well as to hold the management accountable for the use of public resources.</p> <p>Recommendation</p> <p>3.2.122. MoEYI 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 15 : Outstanding Appropriation Accounts and Approved Budget (Revised)							
Financial Year	Recurrent	Capital A	Capital B	Capital C	MoESYI	Total National Budget	% MoESYI to National Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2023/24	163,686,275			768,646	164,454,921	1,091,838,076	15.1
2022/23	140,146,554			414,765	140,561,319	1,002,555,425	14.0
2021/22	118,116,045			768,403	118,884,448	893,048,002	13.3
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
Grand Total	722,742,495	1,961,444	2,598,554	2,585,106	729,887,599	5,245,779,845	13.9

HEAD 41000: MINISTRY OF EDUCATION, SKILLS, YOUTH AND INFORMATION – JAMAICA INFORMATION SERVICE (JIS)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.123. During the period under review, I completed the audit of the 2021/2022 Appropriation Accounts for the Jamaica Information Service (JIS).</p> <p>3.2.124. The following matters of concern were brought to management’s attention:</p>	
<p>Non-Adherence to GoJ established Budgetary Control Policy</p> <p>3.2.125. Section 3.7 (vii) and Section 7.9.3 (i) of the Financial Instructions stipulates adherence to the approved budget ceilings and prohibits Accounting Officer to reallocate the approved budget for certain objects including Object 21 – Compensation of Employees, Object 23 Rental of Property and Machinery and Object 24-Utilities and Communication Services. However, contrary to this requirement, JIS exceeded its approved budget by \$70.4 million for the financial year 2021/2022 and incurred excess expenditure of \$15.35 million on these prohibited Objects without the requisite approval.</p> <p>3.2.126. JIS’s failure to keep expenditure within the approved budget undermines the GoJ’s budgetary control process and has resulted in budget overrun.</p> <p>Recommendation</p> <p>3.2.127. Given that these weaknesses were highlighted in the last Annual Report, we reminded the JIS of the necessity to strictly comply with the Appropriation Act and Financial Instructions. Therefore, JIS should promptly take action to improve the Agency’s commitment control process to prevent excess expenditure and unauthorized reallocation of appropriated funds.</p> <p>3.2.128. Management accepted our recommendation and informed us of their intention to seek approval from the Ministry of Finance (MoF) to use the surplus Appropriation in Aid (AIA) to offset expenditure exceeding the approved budget. Additionally, JIS has committed to continuous improvement of the Agency’s budgetary control process to ensure compliance with the Appropriation Law and Financial Instructions.</p>	<p>\$70.4 million \$15.35 million</p>

HEAD 41000: MINISTRY OF EDUCATION, SKILLS, YOUTH AND INFORMATION – OVERSEAS EXAMINATIONS COMMISSION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
GOVERNANCE	
<p>3.2.129. The audit of the accounting records and financial transactions of the Overseas Examinations Commission (OEC) for the 2022/2023 financial year revealed a generally satisfactory state of affairs. I reminded management of the previously reported non-compliance with the Overseas Examinations Commission Act arising from a change in accounting year end from August 31st to March 31st without taking the necessary steps to have the Act amended.</p>	

HEAD 41000: MINISTRY OF EDUCATION, SKILLS, YOUTH AND INFORMATION – EARLY CHILDHOOD COMMISSION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Long outstanding overpayment to Early Childhood Practitioners.</p> <p>3.2.130. The audit revealed that despite the controls implemented by the ECC, approximately \$1.78 million in subsidies was overpaid to practitioners in the period under review. This recurring issue indicates that the controls over the payment of subsidies to Early Childhood Practitioners are still ineffective resulting in the continued payment of some Practitioners after they have been separated from the Early Childhood Institutions.</p> <p>3.2.131. Notwithstanding the foregoing, ECC recovered about \$1.5 million in the 2022/2023 financial year. However, as at March 31, 2023, a total of \$35.3 million remains uncollected for periods spanning the years 2011 to 2023.</p> <p>Recommendations</p> <p>3.2.132. The AuGD notes the Commission’s efforts 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 been separated from the Early Childhood Institutions through the implementation of a Childcare Education Health and Development Integration System (CEHDIS). Notwithstanding, the ECC should continue its efforts, in collaboration with the Ministry of Education, Youth and Information, to recover the outstanding amounts.</p> <p>3.2.133. Additionally, the ECC should assess the collectability of the long outstanding receivables and where amounts are deemed uncollectible, seek approval through the Parent Ministry to have those amounts written off in keeping with the GoJ’s Write-off Policy.</p>	<p>\$35.3M</p>

HEAD 42000: MINISTRY OF HEALTH AND WELLNESS

ISSUE/CONCERNS	FINANCIAL EXPOSURE																											
RESOURCE MANAGEMENT																												
Delays in submitting Appropriation Accounts Persist																												
<p>3.2.134. The FAA Act requires accounting officers 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 allocation¹ 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. However, up to the time of reporting the MoHW had not returned or submitted for audit scrutiny 23 Appropriation accounts for Financial Year 2013/2014 to 2023/2024.</p>																												
<p>3.2.135. In December 2023, the Accounting Officer submitted 15 of the 21 outstanding Appropriation Accounts for Financial Year 2013/2014 to 2022/2023. However, these accounts did not meet the standards for submission as outlined in Section 8.17.6 (i) and (ii) of the Financial Instructions. The Chief Audit Executive did not sign off on the Appropriation Accounts report submitted due to material inaccuracies. Further, two (2) of the Appropriation accounts were not accompanied by the required Statement of Explanation for cause of variances. Consequently, these Appropriation Accounts were returned to the MoHW for correction and resubmission.</p>																												
<p>3.2.136. Over the 11-year period 2013/14 to 2023/24, Parliament approved \$829.6 Billion or 10.8 per cent of the National Budget for the management and administration of the health sector by the MoHW.</p>																												
<p>3.2.137. The MoHW has since advised that they are collaborating with the Internal Audit Unit to ensure the accuracy of the outstanding Appropriation Accounts and their submission to the Auditor General's Department by March 31, 2025. Our confirmation from the Internal Audit Unit are as follows:</p>																												
<p>Table 16</p>																												
<table border="1"> <thead> <tr> <th colspan="3" data-bbox="209 1456 1131 1529">Internal Audit Confirmation on the status of reviews</th> </tr> <tr> <td data-bbox="209 1529 812 1574"></td> <td data-bbox="812 1529 946 1574"></td> <td data-bbox="946 1529 1131 1574">Status of 15</td> </tr> </thead> <tbody> <tr> <td data-bbox="209 1574 812 1619">Received</td> <td data-bbox="812 1574 946 1619">19</td> <td data-bbox="946 1574 1131 1619"></td> </tr> <tr> <td data-bbox="209 1619 812 1664">Reviewed</td> <td data-bbox="812 1619 946 1664">15</td> <td data-bbox="946 1619 1131 1664"></td> </tr> <tr> <td data-bbox="209 1664 812 1709">Not Started</td> <td data-bbox="812 1664 946 1709">4</td> <td data-bbox="946 1664 1131 1709"></td> </tr> <tr> <td data-bbox="209 1709 812 1753">Work In Progress</td> <td data-bbox="812 1709 946 1753"></td> <td data-bbox="946 1709 1131 1753">1</td> </tr> <tr> <td data-bbox="209 1753 812 1798">Returned for correction of inaccuracies</td> <td data-bbox="812 1753 946 1798"></td> <td data-bbox="946 1753 1131 1798">10</td> </tr> <tr> <td data-bbox="209 1798 812 1843">Returned for verification</td> <td data-bbox="812 1798 946 1843"></td> <td data-bbox="946 1798 1131 1843">1</td> </tr> <tr> <td data-bbox="209 1843 812 1955">To be returned in December 2024 for correction of inaccuracies</td> <td data-bbox="812 1843 946 1955"></td> <td data-bbox="946 1843 1131 1955">3</td> </tr> </tbody> </table>		Internal Audit Confirmation on the status of reviews					Status of 15	Received	19		Reviewed	15		Not Started	4		Work In Progress		1	Returned for correction of inaccuracies		10	Returned for verification		1	To be returned in December 2024 for correction of inaccuracies		3
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ISSUE/CONCERNS								FINANCIAL EXPOSURE
Recommendation								
<p>3.2.138. MoHW 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> <p>3.2.139. Management has affirmed its commitment that with a now fully staffed Final Accounts Unit, the Ministry will ensure that the Appropriation Accounts are submitted by the stipulated timeline going forward.</p>								
Table 17: MOHW 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	
2023/24	127,917,792	-	-	6,050,331	133,968,123	1,091,838,076	12.3	
TOTAL	804,326,743	145,114	6,574,633	18,541,519	829,588,009	7,664,019,574	10.8	

HEAD 42000: MINISTRY OF HEALTH AND WELLNESS – NATIONAL COUNCIL ON DRUG ABUSE

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
INFORMATION AND COMMUNICATION TECHNOLOGY	
<p>3.2.140. During the period under review, I audited the 2011/2012 financial statements of the National Council on Drug Abuse. The audit revealed general IT control vulnerabilities and weaknesses in the controls over cash and cash equivalents, expenditure, and property, plant and equipment.</p> <p>3.2.141. Management has since advised that steps will be taken to strengthen the relevant controls.</p>	\$5.2 million

HEAD 42000: MINISTRY OF HEALTH AND WELLNESS – PHARMACY COUNCIL OF JAMAICA

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.142. During the period I conducted the audit of the Pharmacy Council of Jamaica 2020/2021 financial statements. The audit revealed the following matters of concern:</p> <p>Weak cash management practices</p> <p>3.2.143. The audit revealed that there was need for immediate corrective measures and enhanced oversight to safeguard public funds to ensure public monies collected are lodged promptly and that official bank accounts are not overdrawn.</p> <p>Recommendation</p> <p>3.2.144. Management should review and strengthen internal controls over the operations of the Council to comply with the established GoJ guidelines to mitigate fraud and misappropriation of public funds. This should include implementing Standard Operating Procedures for the different areas of the Council.</p> <p>3.2.145. The PCJ explained that the overdraft resulted primarily from a delay in the transfer of funds from one bank account to another to cover operation expenses. Notwithstanding, steps are being taken to ensure the prompt lodgment of public funds and prevent the recurrence of overdrafts in its bank accounts.</p> <p>Outstanding Tax Obligations</p> <p>3.2.146. The audit revealed that the Council owes \$1,076,743 in General Consumption Tax (GCT) for the financial year 2020/2021 and \$4,554,038 for prior years to March 31, 2020. Ministry of Finance and the Public Service's Circular Number 4, dated May 27, 2014 stipulates that all entities are required to pay GCT over to the Tax Administration Jamaica (TAJ) with effect from June 1, 2014. However, the Pharmacy Council cited that they have encountered challenges in determining their tax status and have committed to stridently follow up on the matter to finally ascertain whether the Council has tax exempt status. We also noted that PCJ incurred penalties and interest totalling \$375,174 as at March 31, 2021, for failure to pay up income tax withheld from fees paid to Board/Committee Members.</p> <p>3.2.147. Subsequent to the audit, we noted that PCJ paid up all income tax withheld. However, penalties and interests have increased to \$592,242.73 as at November 2024. Additionally, Management acknowledged the GCT liability and has since paid over \$287,751. However, an outstanding balance of \$10.45 million covering the period June 2014 to December 2024 remains as</p>	<p>\$10.45 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>at December 17, 2024. PCJ advised that they are unable to pay this amount in full and will be seeking a meeting with the TAJ to arrange a payment plan.</p> <p>3.2.148. Similarly, our audit revealed that as at March 31, 2021, the Ministry of Health and Well did not pay over to TAJ, statutory deductions totaling \$22.6 million, deducted from the salaries of PCJ’s employees. We noted that amounts were owed from as early as 2013 and up to the time of reporting (December 2024), this indebtedness had increased to \$35.46 million. This included penalty of \$14.84 million and Interest of \$17.06 million (Table 18).</p> <p>3.2.149. Section 5.13.13.2 of the Financial Instructions requires all entities to pay statutory deductions to TAJ within five working days of the effective date of deductions or earlier as per the requirements of the statutes under which the deductions are effected. Therefore, the tardiness in paying over the statutory deductions violates the respective statutes under which the amounts were deducted and resulted in PCJ incurring penalties and interest totalling \$31.90 million. This also denied PCJ employees’ right to benefits associated with the NIS and NHT deducted from their salaries. In keeping with Section 55 of the FAA Regulations, this matter will be referred to the Financial Secretary for surcharge.</p> <p>Improvement required over the payment of emoluments and maintenance of personnel records</p> <p>3.2.150. The Pharmacy Council does not have a Human Resources and Administration (HRA) function within the Council to manage employees’ affairs. We noted that the human resource matters were dealt with by the Accountant. This led to deficiencies in the management of personnel matters.</p> <p>3.2.151. These weaknesses increased the risk of unauthorized access to the employees’ service records, information being lost or misplaced and overpayments to staff. The risk of overpayment was manifested as our review of payroll records and employment contracts showed an overpayment of \$108,267.82 to an officer who retired on January 18, 2021, but was paid a full month’s salary. While between May 2018 and March 2021, three contract officers were paid a total of \$7.4 million on expired contracts. Up to the time of reporting, the Pharmacy Council did not advise of the recovery of the overpayment or regularized the contracts of the officers.</p> <p>3.2.152. Section 9.6.1 (1) of the Financial Instructions 2017 requires Accounting and Accountable Officers to have in place a proper system of internal controls to prevent and detect overpayment. Therefore, the absence of a proper system of internal control over payroll to prevent or identify errors could result in a loss of public funds.</p>	<p>\$31.90 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE			
<p>Recommendation</p> <p>3.2.153. The Pharmacy Council should establish a structured HRA function to facilitate timely communication with the Ministry of Health on employees' employment status to ensure appropriate payments are made, including contractual payments, meticulous record-keeping, as well as implement robust security measures to safeguard employee information.</p> <p>3.2.154. PCJ acknowledged the weaknesses in the management of personnel matters and indicated their intention of addressing them through the MoFPS.</p> <p>INFORMATION AND COMMUNICATION TECHNOLOGY</p> <p>Shortcomings in Information Technology (IT) Control</p> <p>3.2.155. Even though the Council does not have much automation, it's important for organisations to have strong controls to protect their information from unauthorized access and manipulation. However, our review found that the Council was at risk because it did not have an ICT policy, procedures, or a formal business continuity or disaster recovery plan. Without these policies and plans there is a high risk that the Council's data could be accessed or altered without permission, which could affect the accuracy and reliability of their financial information as well as the PC's ability to continue its operation seamlessly in the event of a disaster.</p> <p>Recommendation</p> <p>3.2.156. Management should act promptly to develop and implement policies and procedures to not only protect the Council's IT environment but also to improve the efficiency and reliability of the Council's operations.</p> <p>3.2.157. PCJ has since advised that the necessary steps will be taken to address the ICT weaknesses identified.</p>				
<p>Table 18</p>				
<p>Outstanding Penalties, Interest and Statutory Deductions</p>				
<p>Balance from May 2013 to December 2024</p>				
	<p>Penalty</p>	<p>Interest</p>	<p>Outstanding Statutory Deductions as at December 2024</p>	<p>Total Outstanding Balance as at December 2024</p>
	<p>\$</p>	<p>\$</p>	<p>\$</p>	<p>\$</p>
<p>Ed. Tax</p>		<p>1,135,020.10</p>	<p>(118,923.54)</p>	<p>1,016,096.56</p>
<p>PAYE</p>	<p>14,841,798.15</p>	<p>10,488,377.91</p>	<p>2,102,718.46</p>	<p>27,432,894.52</p>
<p>NIS</p>		<p>2,365,337.00</p>	<p>1,046,209.32</p>	<p>3,411,546.32</p>
<p>NHT</p>		<p>3,067,929.36</p>	<p>535,353.79</p>	<p>3,603,283.15</p>
<p>TOTAL</p>	<p>14,841,798.15</p>	<p>17,056,664.37</p>	<p>3,565,358.03</p>	<p>35,463,820.55</p>

HEAD 42000: MINISTRY OF HEALTH AND WELLNESS - SUPPORT FOR THE HEALTH SYSTEMS STRENGTHENING FOR THE PREVENTION AND CARE MANAGEMENT FOR NON-COMMUNICABLE DISEASES PROGRAMME

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.158. During the period I conducted the audit of the financial statements for the Support for the Health Systems Strengthening for the Prevention and Care Management for Non-Communicable Diseases Programme (HSSP) for the period ended March 31, 2024.</p> <p>Project Outline</p> <p>3.2.159. The Support for the Health Systems Strengthening for the Prevention and Care Management for Non-Communicable Diseases Programme (HSSP) is funded by US\$50 million loan from the Inter-American Development Bank (IDB), and counterpart funding of US\$87.2 million by the Government of Jamaica. The loan of US\$50 million should be disbursed over a five-year period from December 07, 2018. However, approval was granted by Inter-American Development Bank to extend the completion date to March 24, 2027, to facilitate the completion of the Project activities.</p> <p>3.2.160. The objective of the HSSP, is aligned to Goal Number 1 and National Outcome number 1- “A Healthy and Stable Population” of the NDP, Vision 2030 - and the United Nations SDG Goal Number 3 - Good Health and Wellbeing , is to contribute to the improvement of the health of Jamaica’s population by strengthening comprehensive policies for the prevention of Non-Communicable (Chronic) Diseases (NCDs) risk factors and improved access to an upgraded and integrated primary and secondary health network in prioritised areas with an emphasis on chronic disease management, that provide more efficient and higher quality care.</p> <p>Main Findings</p> <p>3.2.161. The HSSP’s accounting records were properly maintained, expenditures were incurred in accordance with the Loan agreement and GOJ’s guidelines. Notwithstanding, the following matters of concern were brought to management attention for corrective action:</p> <p>Project Accomplishments</p> <p>3.2.162. As at March 31, 2024, the Project had cumulatively spent US\$25.8 million (19%) of the US\$137.2 million programme budget, since its implementation in 2019. Our review of the Project’s records revealed that the HSSP encountered several challenges in implementation due to poor planning in the project design and conceptualisation phase, coupled with the breakout of the COVID 19 Pandemic. Additionally, the Project Implementation Unit (PIU) cited delays in</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>filling key positions due to difficulties in finding the required skill sets, impacting contract execution.</p> <p>3.2.163. Arising from these impeding factors, the Project was restructured. During the restructuring period which commenced in June 2022 and concluded in December 2023, the PIU reported that several critical activities were placed on hold until the agreement was signed.</p> <p>3.2.164. As at March 31, 2024, the PIU implemented 14 of the 19 restructured activities. The status at that time showed 6 activities completed, 8 in progress, and 5 not yet started. However, our assessment of whether these activities were meeting their targets was not possible, as up to the end of the audit, the PIU had not developed an implementation plan.</p> <p>Recommendation</p> <p>3.2.165. To ensure that the Project is completed on time and within budget, ultimately achieving its objectives and delivering value to the Jamaican citizens, management was advised to implement realistic timelines, consistently monitor the project activities and to support these activities with robust controls to mitigate potential issues that may arise during execution.</p> <p>3.2.166. Management accepted our recommendation.</p>	
RESOURCE MANAGEMENT	
<p>Withholding Taxes</p> <p>3.2.167. The MoHW failed to comply with the Tax Administration Department's guidelines by not deducting the required 3% withholding tax from payments to 40 consultants. This non-compliance with Tax Act resulted in \$6.52 million in taxes not being remitted as of March 31, 2024. The consultants were under contracts totalling approximately J\$581 million. This oversight not only resulted in a loss of revenue for the Government of Jamaica but also exposes the Project to potential penalties, including interest and surcharges.</p> <p>Recommendation</p> <p>3.2.168. Management was advised to deduct and pay over to the TAJ the requisite withholding taxes in keeping with the GoJ tax regulations.</p> <p>3.2.169. Management has accepted the finding and has begun steps to settle the outstanding amount. Additionally, they advised that the Ministry started collecting withholding taxes from all new consultants as of September 2024 and aims to bring all current consultants in line by March 31, 2025.</p>	<p>\$6.52 million</p>

HEAD 42035: MINISTRY OF HEALTH AND WELLNESS - DEPARTMENT OF GOVERNMENT CHEMIST (GDC)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.170. During the period, I completed the audit of Department of Government Chemist's (DGC) Appropriation Accounts for the period April 1, 2021, to March 31, 2023. The audit revealed a generally satisfactory state of affairs. However, we advised the DGC to strengthen its internal processes to minimize delays between purchasing and receiving goods as well as to promptly deactivate information technology access rights for officers who have separated from the Department.</p> <p>3.2.171. The DGC indicated that the concerns raised resulted from human resource constraints. However, the necessary steps have been taken to address the matter and prevent recurrence.</p>	
<p>Regulatory breach in the submission of Appropriation Accounts and monthly financial statements</p> <p>3.2.172. The DGC breached Section 8.17.2 of the Financial Instructions by failing to submit the Appropriation accounts to the Auditor General for audit within four months after the respective financial year. As at November 2024, the DGC did not submit six Appropriation Accounts for the financial years 2015/2016 to 2019/2020 and 2023/2024. Over the said period, the cumulative approved budget amounted to \$386.96 million (Table 19). Additionally, the DGC breached Section 70 (c) of the Financial Management Regulations and Section 8.17.2 of the Financial Instructions by not submitting sixty monthly statements for the period April 2015 to March 2024. This failure has hindered the timely assessment of the DGC's stewardship of public funds and represents a breakdown in the Department's financial accountability.</p> <p>3.2.173. The DGC attributed the delay in submitting the Appropriation to the prolonged illness and subsequent passing of the Accountant in March 2019. The position was eventually filled in April 2023 after being upgraded and reclassified.</p> <p>3.2.174. The DGC advised that they have completed and submitted the outstanding Appropriation Accounts to the MoHW Final Accounts and Internal Audit Units for review. They are actively working with the Internal Audit Unit to make necessary corrections and submit the outstanding Appropriation accounts for audit.</p> <p>3.2.175. DGC further indicated that they have implemented measures to ensure timely submission of the annual and monthly accounts in the future.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE																
RESOURCE MANAGEMENT																	
Outstanding Appropriation Accounts Table: 19 <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Approved Budget \$</th> </tr> </thead> <tbody> <tr> <td>2015/2016</td> <td>34,924,000</td> </tr> <tr> <td>2016/2017</td> <td>36,218,000</td> </tr> <tr> <td>2017/2018</td> <td>49,599,000</td> </tr> <tr> <td>2018/2019</td> <td>55,605,000</td> </tr> <tr> <td>2019/2020</td> <td>64,205,000</td> </tr> <tr> <td>2023/2024</td> <td>146,406,000</td> </tr> <tr> <td>TOTAL</td> <td>386,957,000</td> </tr> </tbody> </table>	Financial Year	Approved Budget \$	2015/2016	34,924,000	2016/2017	36,218,000	2017/2018	49,599,000	2018/2019	55,605,000	2019/2020	64,205,000	2023/2024	146,406,000	TOTAL	386,957,000	
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HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING - JAMAICA 4-H CLUBS

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
3.2.176. During the period under review, I conducted the audit of the 2020/2021 financial statements of the Jamaica 4-H Clubs. The audit revealed a generally satisfactory state of affairs. However, management was advised to take the necessary steps to ensure that all Property, Plant and Equipment (PPE) are consistently measured in accordance with the relevant International Public Sector Accounting Standard (IPSAS).	

HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING – JAMAICA VETERINARY BOARD

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
3.2.177. During the period under review, I conducted the audits of the 2015/2016, 2016/2017, 2017/2018, 2018/2019 and 2019/2020 financial statements of the Jamaica Veterinary Board. The audits revealed a generally satisfactory state of affairs.	

HEAD 51000: MINISTRY OF AGRICULTURE, FISHERIES AND MINING – EXPORT DIVISION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
Resource Management	
3.2.178. During the period I conducted the audits of the 2014/2015 and 2015/2016 financial statements for the Export Division and the following matters of concern were brought to management's attention:	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Absence of Approval and Documentary Evidence for the Write off \$40.4 million in Inventory Loss</p> <p>3.2.179. The Division did not provide sufficient and appropriate documentary evidence to substantiate inventory loss valued at \$40.4 million that was written off during the period under review. The MoFP Circular Number 15 dated June 10, 2013, on the <i>Write-off of Loss of Public Money</i> (including inventory loss) stipulates the level of approval and reporting requirements for the write off of public money. However, The Export Division did not provide the requisite approval and formal report for this write-off. Therefore, in the absence of the aforementioned evidence we could not determine whether the write-off represented bonfide inventory losses. We are also of the view that the deficiencies in the control environment could contribute to concealment of irregularities. Additionally, without a detailed report outlining the circumstances and preventive measures, there was no assurance that similar losses would be prevented in the future.</p>	\$40.4 million
<p>Absence of sufficient and appropriate audit evidence to verify \$295.5 million in Journal adjustments</p> <p>3.2.180. Journal entries are used to record transactions, correct any discrepancies or errors in the initial recording of transactions, ensuring the financial statements reflect the true financial position of an organisation. However, we found that the Division is at risk of undetected errors and irregularities due to a lack of segregation of duties in the journal entry process.</p> <p>3.2.181. According to Section 5.9.1.1 of the Financial Instructions, different officers should handle authorizing, certifying, and checking. However, without these internal controls, and with transactions totalling \$156 million - lacking proper documentation and \$137.5 million in journal vouchers not available for audit scrutiny, the audit scope was limited and prevented us from verifying the authenticity of these transactions.</p>	\$293.5 million
<p>Investments</p> <p>3.2.182. The Export Division's management of Investments was not in keeping with the requirement of Section 9.8.6 of the Financial Instructions, which stipulates that Accounting Officers should implement adequate controls to include proper accounting records and monthly reconciliation of the Investment accounts. However, for the period ended March 31, 2015, the Division did not provide documentation to support investments totalling \$75.32 million, as well as details on the encashments and interest related to these investments. Additionally, there was no evidence of monthly reconciliation between supporting documents and investment records. These deficiencies heighten the risk of undetected fraud, misappropriation, and errors.</p>	\$75.32 million

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.183. This also impeded our ability to verify the accuracy and completeness of the investment information presented in the financial statements. Further, up to the time of reporting, Management did not provide an explanation for credit balances totaling \$27.28 million recorded in two bank accounts for the period ending March 31,2016.</p> <p>Recommendations</p> <p>3.2.184. The Export Division was advised to be proactive in administering its accounting procedures, by ensuring that the appropriate internal controls are in place and working effectively to manage the accounting functions and ensure compliance with the government guidelines and accounting standards. Additionally, management was advised to correct the inconsistencies reported and present the outstanding documents for audit scrutiny.</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	
<p>3.2.185. The objective of the Promoting Community-Based Climate Resilience in the Fisheries Sector Project (PCCR) is to enhance community-based climate resilience among targeted fishing and fish farming communities in Jamaica. The Project, which is financed by a US\$4,875,000 grant from the International Bank for Reconstruction and Development, was expected to last for five years from March 28, 2018 to March 31, 2023. However, the Project was extended for an additional 14 months to May 31, 2024.</p> <p>3.2.186. The audit of the accounting records and financial transactions of the PCCR project for the financial year ended March 31, 2024, revealed that the project achieved all five planned targets for the period.</p>	

HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>Outstanding Appropriation Accounts</p> <p>3.2.187. The FAA Act requires accounting officers to prepare and submit to the Minister and the Auditor General the Appropriation Account, setting out the</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE																									
RESOURCE MANAGEMENT																										
<p>expenditure for the year against the approved budgetary allocation³ 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. However, the MIIC is yet to present six Appropriation Accounts for the financial years 2020/2021*, and 2022/2023 to 2023/2024 for its Recurrent and Capital Heads with cumulative approved budget of \$15.3 billion (Table 20).</p> <p>Recommendations</p> <p>3.2.188. MIIC should implement proper systems that will ensure the Appropriation Accounts are prepared and submitted in keeping with the statutory deadlines.</p> <p>3.2.189. The MIIC subsequently advised that the delay in the preparation and submission of the 2022/23 and 2023/24 Appropriation Accounts was due to human resource constraints and recruitment challenges as they have been unsuccessful in filling two senior posts over the past two years. MIIC also advised that steps are being taken to ensure the preparation of these accounts with a projected submission date of May 2025.</p> <p>Table 20: MIIC Outstanding appropriation accounts and approved budget</p> <table border="1" data-bbox="209 1131 1045 1435"> <thead> <tr> <th data-bbox="209 1131 363 1249">Financial Year</th> <th data-bbox="363 1131 496 1249">Head No.</th> <th data-bbox="496 1131 676 1249">Recurrent \$'000</th> <th data-bbox="676 1131 842 1249">Capital \$'000</th> <th data-bbox="842 1131 1045 1249">Approved Budgetary allocation (\$'000)</th> </tr> </thead> <tbody> <tr> <td data-bbox="209 1249 363 1294">2020/21*</td> <td data-bbox="363 1249 496 1294">53000</td> <td data-bbox="496 1249 676 1294">1,640,480</td> <td data-bbox="676 1249 842 1294">197,332</td> <td data-bbox="842 1249 1045 1294">1,890,812</td> </tr> <tr> <td data-bbox="209 1294 363 1339">2022/23</td> <td data-bbox="363 1294 496 1339">53000</td> <td data-bbox="496 1294 676 1339">6,022,307</td> <td data-bbox="676 1294 842 1339">710,230</td> <td data-bbox="842 1294 1045 1339">6,732,537</td> </tr> <tr> <td data-bbox="209 1339 363 1384">2023/24</td> <td data-bbox="363 1339 496 1384">53000</td> <td data-bbox="496 1339 676 1384">5,873,836</td> <td data-bbox="676 1339 842 1384">801,384</td> <td data-bbox="842 1339 1045 1384">6,675,220</td> </tr> <tr> <td data-bbox="209 1384 363 1435">TOTAL</td> <td data-bbox="363 1384 496 1435"></td> <td data-bbox="496 1384 676 1435">13,536,623</td> <td data-bbox="676 1384 842 1435">1,708,946</td> <td data-bbox="842 1384 1045 1435">15,298,569</td> </tr> </tbody> </table> <p data-bbox="209 1435 1045 1467">*For the six-month period October 2020 to March 2021 following the de-merger of MICA</p>	Financial Year	Head No.	Recurrent \$'000	Capital \$'000	Approved Budgetary allocation (\$'000)	2020/21*	53000	1,640,480	197,332	1,890,812	2022/23	53000	6,022,307	710,230	6,732,537	2023/24	53000	5,873,836	801,384	6,675,220	TOTAL		13,536,623	1,708,946	15,298,569	
Financial Year	Head No.	Recurrent \$'000	Capital \$'000	Approved Budgetary allocation (\$'000)																						
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³ 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.

HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE – JAMAICA INTELLECTUAL PROPERTY OFFICE (JIPO)

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.190. During the period, I completed the audit of Jamaica Intellectual Property Office’s (JIPO) financial statements for the period ended March 31, 2023. The audit revealed a generally satisfactory state of affairs. However, JIPO was encouraged to strengthen its internal review process to prevent and detect overpayment of salaries to staff and to ensure that transactions are properly recorded.</p> <p>3.2.191. JIPO has since taken steps necessary to address the internal control weaknesses identified.</p>	

HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE – JAMAICA INTERNATIONAL FINANCIAL SERVICES AUTHORITY

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.192. During the period under review, I conducted the audits of the 2011/2012, 2012/2013, 2013/2014 and 2014/2015 financial statements of the Jamaica International Financial Services Authority (JIFSA). The audits revealed a generally satisfactory state of affairs. However, management was encouraged to strengthen the controls over fixed assets to ensure that the Authority’s assets are adequately safeguarded.</p>	

HEAD 53000: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE – ANTI-DUMPING AND SUBSIDIES COMMISSION

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p>3.2.193. During the period I conducted the audit of the 2020/2021 financial statements for the Anti-Dumping and Subsidies Commission (ASDC). The audit revealed a satisfactory state of affairs, over the management of cash, expenditure, revenue, and fixed assets.</p>	
INFORMATION AND COMMUNICATION TECHNOLOGY	
<p>3.2.194. We identified significant security concerns regarding the physical access controls to the ADSC ICT environment. We advised management to</p>	

address these issues promptly to safeguard the integrity of the ADSC's data and ICT environment.	
3.2.195. Management has since taken steps to address the weaknesses identified.	

HEAD 53038: MINISTRY OF INDUSTRY, INVESTMENT AND COMMERCE - COMPANIES OFFICE OF JAMAICA

ISSUE/CONCERNS	FINANCIAL EXPOSURE
3.2.196. During the period under review, I completed the audit of the 2016/2017 and 2021/2022 Appropriation Accounts and the 2019/2020 financial statements for the Companies Office of Jamaica (COJ). The following matters of concern were brought to management attention:	
RESOURCE MANAGEMENT	
<p>Financial Statements - FY 2019/2020</p> <p>3.2.197. The audit of the 2019/2020 financial statements revealed a generally satisfactory state of affairs. However, we advised CoJ to strengthen the controls over the preparation of bank reconciliation statements to minimise the delays and the risk of errors and irregularities going undetected. During the audit, we observed delays ranging from three to fifteen months in the preparation and or review of the bank reconciliation statements. The GoJ guidelines, stipulates that all public entities should prepare monthly reconciliations of official bank accounts.</p> <p>3.2.198. Management accepted our recommendation and committed to making improvements in the preparation and review of bank reconciliation statements.</p>	
<p>Submission of Outstanding Appropriation Accounts</p> <p>3.2.199. The Companies Office Jamaica (COJ) has made noted improvements in the submission of its Appropriation Accounts since this issue was raised in the 2023 Annual report. During the period, the CoJ submitted nine Appropriations Accounts for the period 2013/2014 to 2015/2016 and 2017/2018 to 2022/2023.</p> <p>3.2.200. CoJ committed to staying current with the Agency's Appropriation Accounts submissions.</p>	
Appropriation Accounts FY 2016/2017 and 2021/2022	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Non-Adherence to GoJ established Budgetary Control Policy</p> <p>3.2.201. Section 3.7 (vii) and Section 7.9.3 (i) of the Financial Instructions stipulates adherence to the approved budget ceilings and prohibits Accounting Officer to reallocate the approved budget for certain objects including Object 23 Rental of Property and Machinery and Object 24-Utilities and Communication Services. However, contrary to this requirement, CoJ reallocated \$14.6 million under these Object to accommodate excess expenditure. CoJ’s failure to obtain the required approval to reallocate appropriated funds under these Objects overrides the GoJ Budgetary Control Policy and exposes the Agency to budget overrun.</p> <p>Recommendation</p> <p>3.2.202. COJ was advised to strengthen its commitment controls process to ensure that the implementation of the Agency’s approved budget adheres to the GoJ’s established Budgetary Control Policy.</p> <p>3.2.203. CoJ acknowledged the finding and committed to complying with GOJ regulations going forward.</p>	
INFORMATION COMMUNICATION TECHNOLOGY	
<p>Inadequate Information Technology General Controls</p> <p>3.2.204. We identified weaknesses in CoJ IT control environment as, despite being the subject of prior audit report and management’s commitment to engage a consultant to draft the Agency’s IT policies, CoJ is yet to develop and implement the requisite information technology (IT) policies. Additionally, the Agency did not have a Business Continuity Plan/Disaster Recovery Plan to reduce the risk of loss and its continued operation in the event of an unplanned disruption.</p> <p>Recommendation</p> <p>3.2.205. We encouraged Management to strengthen CoJ’s IT general controls environment by ensuring the Agency develops and implements the requisite IT policies and Business Continuity Plan without further delays, to protect its ICT resources.</p> <p>3.2.206. Management accepted our recommendations and subsequently advised that procurement activities are underway to engage a consultant to develop the required IT policies by March 31, 2025.</p>	

HEAD 56000-MINISTRY OF SCIENCE, ENERGY AND TECHNOLOGY-PETROJAM LOAN OF \$5 BILLION FROM THE MINISTRY OF FINANCE AND THE PUBLIC SERVICE

ISSUES AND CONCERNS

3.2.207. The audit sought to provide a limited assurance opinion on the responses provided by Petrojam to nine questions posed by Mr. Julian Robinson the Member of Parliament for Southeast St. Andrew, following a meeting of the Public Administration and Appropriations Committee (PAAC) on July 19, 2023. This report focused on the questions raised regarding the basis on which Petrojam acquired a \$5 billion loan from the Ministry of Finance and the Public Service. This was in a context where Petrojam explained that its bankers were reluctant to support the company's cash flow due to the impairment in the value of its inventory.

3.2.208. The review sought to provide limited assurance of the responses provided by Petrojam to nine questions posed by the Member of Parliament. For limited assurance reviews, less evidence is collected than for a reasonable assurance engagement but is sufficient for the auditor to issue a conclusion that is framed in a negative sense. Nonetheless, the same risk basis is used for the review and the same levels of materiality in evaluating the outcome of tests for both the reasonable and limited assurance engagements.

3.2.209. Based on the procedures performed and evidence obtained, no matter came to my attention that caused me to believe that Petrojam's spot purchases of crude oil were not compliant, in all significant respects, with the applicable criteria. Petrojam has fully repaid the \$5 billion loan and interest amounting to \$260 million in accordance with the agreed schedule, with the last repayment being June 28, 2024.

1. When was the oil purchased?

Petrojam's Response

3.2.210. Petrojam commenced purchasing low sulphur crude oil (LSCO) from Brazil in November 2019, to satisfy new international specifications for bunker fuel. The minimum parcel size for this crude type is one million barrels. High sulphur crude oil, on the other hand, is purchased in cargo sizes of 320Kbbls. Approximately 50 per cent of Petrojam's production is Fuel Oil which is sold to ships as bunker fuel and to power companies.

AuGD's Verification

3.2.211. Based on Petrojam's records, the company commenced purchasing the contended low sulphur crude oil (LSCO) from Brazil in November 2019. From the Independent Inspector's reports, I confirmed delivery/receipt of Buzios and Mero Crude Oil by Petrojam in the quantities reported by Petrojam at the respective offshore storage facilities.

2. What was Petrojam's internal process to authorize the purchase?

Petrojam's Response

3.2.212. Petrojam has an approved procedure for spot procurement of crude oil. The internal procedure was updated in 2019 following a review by the Ministry of Science Energy and Technology. These revised procedures are currently in use.

ISSUES AND CONCERNS

AuGD Verification

3.2.213. Petrojam's board-approved procedures for spot procurement of crude oil were verified as follows:

1. A tender is sent to a list of approved suppliers.
2. Suppliers respond in accordance with tender requirements to Petrojam's bid portal.
3. Tenders are opened by Procurement personnel and representatives from the Economics and Planning team.
4. The Economics and Planning team completes technical and economical evaluation of offers.
5. Offers from the Spot Market are compared with those from the State-Owned companies (to check for competitiveness).
6. A recommendation is made based on price, delivery date and best specification.
7. Internal Approvals – Endorsed by Logistics & Marketing Manager; Endorsed by Compliance Officer and Head Procurement Unit and approved by General Manager.

1. Was the Ministry with responsibility for Energy brought into the making of this decision?

Petrojam's Response

3.2.214. No. The MSET was not brought into the making of this decision as this was a normal operational decision. However, the parent Ministry is always updated on the inventory levels at the refinery. Where there are threats to the supply of crude oil or refined petroleum products, an assessment is done, and the Ministry is advised with the necessary guidance from the BOD.

AuGD's Verification

3.2.215. I saw no evidence that the Parent Ministry played a part in this decision by Petrojam to purchase Low Sulphur Crude Oil from various suppliers. However, I saw documentation confirming MSET's involvement in establishing the procedures for spot procurement of crude oil.

2. Were the inherent risks of buying this stockpile at \$120/barrel adequately evaluated in making this decision?

Petrojam's Response

3.2.216. Petrojam does not stockpile crude oil or speculate on crude oil prices. Crude oil purchases are driven by the refinery operating plan for each month. For this type of crude, the minimum cargo size is approximately 1 million barrels (MB) and the nomination of a cargo for a particular month must be secured at least 8 weeks prior to the period for delivery. At the time of contract award, the company had 2-3 months of crude in storage (on site and off site) which conforms with usual operating inventory levels. It should be noted that at the point of ordering any type of crude oil for the refinery, the final purchase price is unknown as the final crude oil pricing is referenced to Brent quotations around the time of delivery.

AuGD's Verification

3.2.217. I saw no evidence that Petrojam stockpiled low sulphur crude oil (Chart 8). I noted that the quantity of low sulphur crude oil (Buzios and Mero Crude Oil) was essentially constant over the review period. Similarly, the storage/inventory fluctuated slightly over the period under review. Based on the invoices from the referenced suppliers, I identified the highest cost of fuel paid by

ISSUES AND CONCERNS

Petrojam as US\$117.808 which was invoiced on May 31, 2022, by Petrobras (Table 21). The difference between the cost and the reported US\$120 per barrel related to the cost of transfer from St. Lucia and St. Eustatius to Jamaica.

3. Was a price hedging arrangement contemplated by Petrojam to protect itself from losses in the event of the fall in the market price after buying this stockpile at \$120/barrel? If not, why not?

Petrojam's Response

3.2.218. Petrojam explored the possibility of hedging arrangements as recently as December 2021 when a proposal to implement a hedging strategy was considered by the Board. At that time, the Board indicated that while it recognized that the volatility of the market may negatively impact the profitability outcomes, it did not support adoption of a hedging programme because such programmes tend to be risky and come with a high up-front cost which often exceeds the benefits (if any). Additionally, the Board's position is that the risk being hedged is not readily quantified and the internal measures of prudent management of prices, resources and costs being employed satisfactorily managed the risk. Also, an assessment based on historical data showed that the premium would have been too expensive. The Board also acknowledged that it was prudent to consider the appropriateness of hedging from time to time.

AuGD's Verification

3.2.219. I saw no evidence of price hedging, based on records presented. I noted that the Finance and Technical Committee of the Board tabled a report of its meeting on December 11, 2019, to the Board meeting of January 29, 2020, which included its position on hedging. The minutes of the Board meeting did not record any discussion on the report, noting "*The committee report was taken as read and accepted*". On October 19, 2021, the Finance and Technical Committee again considered the matter of Hedging and decided that "*such programmes tend to be risky and comes with a high up-front cost which often exceeds the benefits*".

4. Who was the oil purchased from? Was an intermediary/agent used in this transaction?

Petrojam's Response

3.2.220. The Low Sulphur Crude oil was purchased by Petrojam directly from Petrobras, the state-owned oil company of Brazil. No intermediary agent was used in the procurement.

AuGD's Verification

3.2.221. Based on Petrojam's records, the company purchased Buzios crude oil to process the Very Low Sulphur Fuel Oil from *Petróleo Brasileiro S.A.* (Petrobras) a state-owned Brazilian multinational corporation in the petroleum industry headquartered in Rio de Janeiro, Brazil; *PetroChina International (America) Inc.* a company owned by the Government of China with shares in the Buzios oil fields in Brazil. Mero Crude oil, another low sulphur crude oil, supplied by *Shell Western Supply and Trading Limited* (another a private company) was also purchased by Petrojam. The crude oil is transported to St. Lucia and St. Eustatius where Petrojam has rental contracts for the receipt and storage in tanks. The crude oil is then lifted in smaller quantities from St. Lucia and St. Eustatius

ISSUES AND CONCERNS

to Jamaica based on Petrojam's processing requirements. I saw no evidence that an intermediary was involved.

5. Were the procurement arrangements transparent, at arms-length and in accordance with applicable procurement laws?

Petrojam's Response

3.2.222. The procurement arrangements were transparent and at arms-length. In the Handbook of Public Procurement Procedures, oil purchases are exempt since 2012. Petrojam was allowed to use its internal procurement procedures for said purchases. The Public Procurement Act of 2015 is silent on these purchases, which Petrojam highlighted, and indicated to the Office of Public Procurement Policy (OPPP) in the MOFPS that it would continue to use its internal procurement procedures. The Internal Procedure was initially approved in September 2008 via Circular 34 of MOFPS. Crude oil purchases are documented and reported via Monthly International Commodities report to the Public Procurement Commission, Monthly Public Sector Reporting to the OPPP and Quarterly Contracts Awards report submitted to Integrity Commission.

AuGD's Verification

3.2.223. I sampled 50 per cent of the procurement of the Low Sulphur Crude Oil (LSCO) and reviewed the tender requests and submissions, the tender analysis and recommendation to Senior Management. The contracts and the independent surveyor's report were also reviewed. Based on our review the procurement of Low Sulphur Crude Oil conformed to Petrojam's Board approved procedures for Spot Procurement of Crude Oil.

6. How many months of inventory usage did this purchase represent? How long was it anticipated this stockpile of oil would last for?

Petrojam's Response

3.2.224. The one million (1MB) barrels of Low Sulphur Crude Oil typically represents 2-3 months inventory.

AuGD's Verification

3.2.225. Based on my calculation the purchase of 975,000 (one million) barrels of Low Sulphur Crude Oil (LSCO) represented between 50 days to 127 days (2 to 4 months) inventory (Table 22).

7. Will Petrojam's obligation to repay this \$5 billion loan over the next 18 months impact the prices it charges for its products, and thereby have a direct impact on the traveling public?

Petrojam's Response

3.2.226. The obligation to repay is over 12 months. There is no net impact on Petrojam's ex-refinery price as the MOFPS loan substitutes for commercial lines of credit that the company would have utilized in the normal course of business.

ISSUES AND CONCERNS

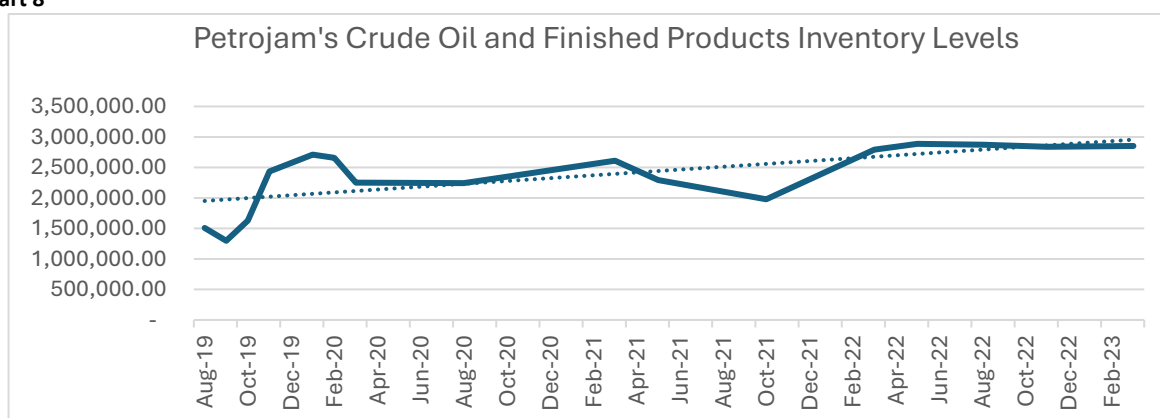
AuGD's Verification

3.2.227. Petrojam's pricing policy presented for our review, indicated that Petrojam must be the "least-cost option" for the supply of petroleum to Jamaica. I verified that the J\$5 billion loan represents US\$32.14 million, which is less than 50 per cent of the value of a shipment of LSCO from its suppliers. The loan is in the range of sums normally borrowed from specified commercial banks as cash flow support to pay the suppliers. The first scheduled repayment was executed as scheduled on September 28, 2023, and all other repayments were made on the scheduled due dates (Table 23).

Table 21: PETROJAM LSCO Purchases

Contract Award	Delivery Date	Country of Intermediate Storage	Quantity Per Independent Inspector (bbl.)	Petrojam's CIF Value Kingston (US\$/bbl.)	AuGD Verified Value CIF (US\$/bbl.)
Apr 18, 2023	Jul 13, 2023	St. Lucia	1,010,123 ⁴	86.73	86.263
Jan 11, 2023	Mar 13, 2023	St. Lucia	962,315 ⁵	79.41	76.968
Sept 14, 2022	Nov 6, 2022	St. Lucia	987,988	95.09	92.37
Jun 21, 2022	Aug 14, 2022	St. Lucia	961,162	106.69	105.08
Mar 17, 2022	May 14, 2022	St. Eustatius	991,637	120.38	117.81
Jan 19, 2022	Mar 21, 2022	St. Eustatius	942,614	117.32	115.65
Oct 14, 2021	Dec 7, 2021	St. Eustatius	960,604	77.83	76.472
Aug 16, 2021	Oct 7, 2021	St. Eustatius	983,164	86.42	85.16
Jun 19, 2021	Jul 4, 2021	St. Lucia	933,070	75.8	75.086
Mar 26, 2021	May 15, 2021	St. Lucia	1,009,977	69.86	68.96
Jan 29, 2021	Mar 15, 2021	St. Lucia	975,422	68.16	66.86
Nov 20, 2020	Jan 17, 2021	St. Lucia	999,894	58.05	57.211
Sept 2, 2020	Nov 7, 2020	St. Lucia	999,320	43.52	42.899
Jun 26, 2020	Aug 6, 2020	St. Lucia	944,926	47.59	46.84
Feb 5, 2020	Apr 11, 2020	St. Lucia	983,671	32.78	31.649
Dec 31, 2019	Feb 20, 2020	St. Lucia	916,618	62.57	60.83
Dec 6, 2019	Jan 15, 2020	St. Lucia	999,502	70.6	71.15
Oct 10, 2019	Nov 15, 2019	St. Lucia	930,393	69.54	67.91

Chart 8



⁴ Mero Crude Oil purchased from Shell Western Supply and Trading Limited

⁵ Buzios Crude Oil purchased from PetroChina International (America) Inc.

Table 22: Days between delivery dates

Delivery date	Quantity (bbl.)	Days between Delivery Dates
July 13, 2023	1,010,123	122
March 13, 2023	962,315	127
November 06, 2022	987,988	84
August 14, 2022	961,162	92
May 14, 2022	991,637	54
March 21, 2022	942,614	104
December 07, 2021	960,604	61
October 07, 2021	983,164	95
July 04, 2021	933,070	50
May 15, 2021	1,009,977	61
March 15, 2021	975,422	57
January 17, 2021	999,894	71
November 07, 2020	999,320	93
August 06, 2020	944,926	117
April 11, 2020	983,671	51
February 20, 2020	916,618	36
January 15, 2020	999,502	61
November 15, 2019	930,393	
Total	17,492,400	

Source : AuGD Analysis of Petrojam's Data

Table 23: Schedule of Ministry of Finance and the Public Service Loan to Petrojam

				(\$'000)		
1st Tranche		28-Jun-23		2,000,000		
2nd Tranche		28-Jul-23		3,000,000		
				5,000,000		
<i>Interest began to accrue from July 28, 2023</i>						
Payment No.	Payment Date	Beginning Balance (\$'000)	Ending Balance (\$'000)	Principal Repayments (\$'000)	Interest Charges (\$'000)	Scheduled Payments (\$'000)
1	28-Sep-23	5,000,000	3,750,000	1,250,000	91,233	1,341,233
2	28-Dec-23	3,750,000	2,500,000	1,250,000	84,144	1,334,144
3	28-Mar-24	2,500,000	1,250,000	1,250,000	56,096	1,306,096
4	28-Jun-24	1,250,000	-	1,250,000	28,356	1,278,356
Total				5,000,000	259,829	5,259,829

Source: AuGD Analysis of Petrojam's Data

NB. All payments were made as per schedule

HEAD 72000: MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT

ISSUE/CONCERNS	FINANCIAL EXPOSURE
PROJECT MANAGEMENT	
<p>3.2.228. During the period I conducted the audit of the 2022/2023 Appropriation Accounts for the Ministry of Local Government and Community Development. The audit of the Appropriation Accounts, financial transactions, accounting, and other operational records disclosed a generally satisfactory state of affairs; however, the following areas of concerns were noted:</p> <p>Delay In Implementation of Special Projects</p> <p>3.2.229. We observed a significant reduction in the deposit account balances being held to implement special projects. These balances decreased from \$242 million in 2022 to \$113 million in 2023. Notwithstanding, this reduction, concerns persist regarding the timely utilisation of funds for five deposit accounts with balances totalling \$41 million. One account with balance of \$5.85 million and date of origin 2019/2020 remains unused, while the balances in the other accounts are not being expended in a timely manner. The MoFP guidelines on the control of deposits require proper oversight over deposited funds to ensure they are used for the intended purpose and repaid promptly. Delays in using these funds not only pose a risk of unauthorised expenditure outside GoJ established Budgetary Control Policy but could also lead to inflation reducing their value, potentially affecting project completion and benefits to the Jamaican citizens.</p> <p>Recommendation</p> <p>3.2.230. The Ministry was encouraged to conduct regular reviews of special project fund utilization against project timelines and budget to ensure optimal use of these project funds in a timely manner and avoid inflation eroding their value.</p> <p>3.2.231. Management subsequently advised of measures implemented to efficiently utilize deposit funds and streamline efforts to enhance its ability to regularly review the use of special project funds against timelines and budgets. To this end, the Ministry indicated that the outstanding balance of \$5.85 million will be utilised by the next financial year-end through an agreement reached with National Fisheries Authority to implement the clean-up project of the Pedro Keys.</p>	\$41M
INFORMATION AND COMMUNICATION TECHNOLOGY	
<p>Absence of Off-Site Back Up Location</p> <p>3.2.232. The Ministry currently lacks an off-site backup location for critical data storage as required under Section 7.3 Disaster Management of the Government of Jamaica Records and Information Management Procedures Manual. This absence represents a significant gap in the Ministry's disaster recovery and business continuity planning. As a result, the Ministry remains</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>vulnerable to risks such as data loss or operational disruptions due to natural disasters, system failures, or other threats.</p> <p>Recommendation</p> <p>3.2.233. The Ministry was encouraged to implement a robust backup strategy that includes regular data transfers to a secure off-site facility. The Ministry should also conduct periodic tests of the backup restoration process to ensure data integrity and accessibility in the event of an emergency.</p> <p>3.2.234. The Ministry has since taken steps to implement an off-site back-up location for data security.</p>	

HEAD 72000: MINISTRY OF LOCAL GOVERNMENT AND COMMUNITY DEVELOPMENT – MUNICIPAL CORPORATIONS

ISSUE/CONCERNS	FINANCIAL EXPOSURE
RESOURCE MANAGEMENT	
<p><u>Hanover Municipal Corporation</u></p> <p>3.2.235. The audit of the financial statements of the Hanover Municipal Corporation (HMC) for the 2015/2016 and 2016/2017 financial years revealed the following areas of concern:</p> <p>Limitation of scope due to the unavailability of the accounting records</p> <p>3.2.236. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements. The management of the HMC reported that the Corporation was unable to provide majority of the accounting records to support the significant account balances, transactions, and disclosures in the financial statements due to the passage of time and an IT system failure that occurred in December 2022, which resulted in the loss of accounting information for the periods under review. Consequently, they were unable to confirm the accuracy and completeness of the financial reports that were submitted for audit. As a result, I was unable to perform key audit procedures to determine whether the transactions, account balances, and disclosures were fairly presented in the financial statements.</p> <p>3.2.237. In response, the HMC indicated that it was <i>“unable to satisfy some of the requests made by the Auditor General’s Department for information due to the following reasons:</i></p>	<p>Other Income \$11.8 million</p> <p>Expenditure \$935.8 million</p> <p>Cash & Cash Equivalents \$78.8 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>1. <i>The inadequacy of the time that was given to provide documents and related information dating back to several years. All payment vouchers, for example, were available and would have been provided to the auditors were they conducting the audit on site. However, it was extremely difficult given limited time and space to identify the different samples of payment vouchers, covering several years, among scores of payment vouchers.</i></p> <p>2. <i>The Corporation's IT system failed in late 2022, resulting in the loss of critical accounting information. It was discovered that the Corporation had two servers but only one had an external hard drive backup system. Unfortunately, the accounting system was linked to the server that was not connected to the external hard drive backup system. All attempts to recover the lost information proved futile.</i></p> <p>3. <i>During 2023, the Corporation acquired and installed an additional external backup system (NAS) to provide external backup for the accounting and other systems of the Corporation. In early 2024, an upgraded version of the Epicor Accounting System was acquired and training provided for the accounting staff. Unfortunately, in July 2024, our main server was destroyed by Hurricane Beryl. We are presently in the process of procuring a new one."</i></p> <p>3.2.238. Having reviewed the Corporation's response, I disagree with management's assertion that the time given to provide the relevant documents was inadequate. An audit commencement letter was sent to the HMC on 2022 December 6 requesting the relevant documents to facilitate the audits. This was followed by a letter, dated 2022 December 9, from the Permanent Secretary in the Ministry of Local Government to all Municipal Corporations, requesting that the Chief Executive Officers give priority to completing all the outstanding financial statements. Having not received all the documents requested, a follow-up letter was sent to the Corporation on 2023 January 13 advising that the audit team will be reassigned to other engagements if all the requested schedules and documents are not provided by 2023 January 31. The Corporation subsequently responded via letter dated 2023 February 20 indicating that their accounting software malfunctioned, resulting in the loss of all data. Consequently, the Corporation was unable to retrieve both historic and current information for the periods to be audited.</p> <p>3.2.239. The HMC further indicated via letter dated 2023 March 27 that some records relating to the periods under review were in the custody of the Integrity Commission and therefore would not be available for audit. I subsequently advised the HMC via letter dated 2023 April 12 to write to the Integrity Commission and inform it that the documents are urgently required to facilitate the statutory audit of the HMC's financial statements. I later learnt, via the media in March 2024, that the Integrity Commission had returned all documents to the Corporation. My office subsequently contacted the HMC,</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>and the Corporation agreed to deliver the records to my office by May 2024. However, the documents presented for audit were not sufficient and appropriate to support all the relevant transactions and balances selected for testing.</p> <p><i>Non-compliance with the applicable financial reporting framework</i></p> <p>3.2.240. The HMC has not yet implemented an accrual accounting system based on International Public Sector Accounting Standards (IPSAS) as required by the Local Government (Financing and Financial Management) Act, which became effective March 1, 2016. The Corporation was still operating under the modified accrual framework for the 2016/2017 financial year and as such, some account balances may be materially misstated and the financial statements are not in compliance with the applicable financial reporting framework i.e., IPSAS. In response the HMC acknowledged that its <i>“financial statements are not being prepared based on International Public Sector Accounting Standards, as required by the Local Government (Financing and Financial Management) Act”</i>. The Corporation indicated that it was <i>“being seriously constrained by the following factors:</i></p> <ol style="list-style-type: none"> <i>1. Inadequate numbers of senior accounting personnel with the requisite qualifications and training. We are hopeful that the restructuring of the Corporations that is at an advanced stage will resolve this issue.</i> <i>2. The cost and complexities associated with doing an annual valuation of all the assets of the Corporation would be well beyond the existing resources of the Corporation.</i> <i>3. A modern accounting system with the capacity to satisfy the requirements of accrual accounting is highly necessary. We will continue to work with the Ministry to overcome this challenge.”</i> <p>Weak Information Technology (IT) Control Environment</p> <p>3.2.241. The Corporation is exposed to an increased risk of loss due to the absence of an effective IT control environment. Management did not develop any documented policies to address the significant IT-related risks associated with the use of technology in its financial reporting process. Notwithstanding a previous failure in its IT system resulting in the loss of accounting information, management has not yet implemented the relevant policies and procedures governing areas such as disaster recovery and business continuity, IT security, access controls, and change management in order to reduce the risk of further loss. In response, the HMC acknowledged this weakness and indicated that it will be engaging the Ministry of Local Government for technical support in creating the requisite IT policies and procedures.</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p><u>Clarendon Municipal Corporation</u></p> <p>3.2.242. The audit of the financial statements of the Clarendon Municipal Corporation (CMC) for the 2011/2012, 2012/2013, 2013/2014 and 2014/2015 financial years revealed the following area of concern:</p> <p><i>Limitation of scope due to lack of sufficient appropriate audit evidence</i></p> <p>3.2.243. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements. Management indicated that due to the age of the financial statements, there were significant challenges in providing some source documents within the timeframe in which the audit needed to be executed. As a result, I was unable to perform key audit procedures to determine whether the transactions, account balances, and disclosures were fairly presented in the financial statements.</p> <p>3.2.244. Management indicated that the <i>“timeline given by the audit team in which the audit should be completed, the timelines in which to submit requested documentation/records, the inadequacy of the present Accounting Software to produce the General Ledger in the format acceptable by the Audit team, coupled with the difficulties experienced in retrieving the aged documentation/records from the Corporation’s offsite storage facility and the lack of the required staffing to carry out the financial reporting functions, impaired the Corporation’s ability to meet the deadlines in which to provide the necessary supporting documentation/records to support the audit exercise. Management, therefore, was in support of the view shared by the audit team that these challenges would impact the audit to conclude the accuracy of the Financial Statement for financial year 2011-2015 hence, the proposed Modified Audit Opinion was accepted”</i>.</p> <p>3.2.245. Having reviewed the Corporation’s response, I disagree with management’s assertion that the timeline given to provide the relevant documents/records was inadequate. Our records revealed that a letter, dated 2017 October 18, was sent to the CMC requesting the relevant documents to facilitate the audits for the financial years 2008/2009 to 2012/2013. The fieldwork for these audits was scheduled to end on 2018 January 26. However, as at 2018 February 16, the audits for financial years 2010/2011 to 2012/2013 were delayed due to management’s failure to provide the relevant documents in a timely manner to facilitate the completion of the audit of the 2010/2011 financial statements. This despite previous commitments from the KLX to provide the relevant documents to facilitate the completion of the audits within the planned timeline.</p> <p>3.2.246. A follow up letter, dated 2022 November 7, was sent to the CMC requesting information for the financial years 2010/2011 to 2014/2015. This</p>	<p>Cash and Cash Equivalents \$385.9 million</p> <p>Revenue \$1.07 billion</p> <p>Expenditure \$2.42 billion</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>was followed by a letter, dated 2022 December 9, from the Permanent Secretary in the Ministry of Local Government to all Municipal Corporations, requesting that the Chief Executive Officers give priority to completing all the outstanding financial statements. A meeting was subsequently held on 2023 August 8 between the audit team and the management of the CMC where the audit approach and the proposed timeline for the audits were discussed. The Minutes of that meeting did not record any objections from management in relation to the proposed timeline. Despite attempts to complete these audits starting from as far back as 2017, management was still not able to provide sufficient and appropriate evidence to support all the relevant transactions and balances selected for testing.</p>	
<p><u>Trelawny Municipal Corporation</u></p> <p>3.2.247. The audit of the financial statements of the Trelawny Municipal Corporation (TMC) for the 2015/2016 and 2016/2017 financial years revealed weaknesses in the controls over accounting for staff costs and liabilities.</p> <p>3.2.248. Management has since indicated that steps will be taken to strengthen the relevant controls.</p>	<p>\$364.08 million</p>
<p><u>Westmoreland Municipal Corporation</u></p> <p>3.2.249. The audit of the financial statements of the Westmoreland Municipal Corporation (WMC) for the 2013/2014 financial year revealed the following area of concern:</p> <p>Limitation of scope due to the absence of sufficient appropriate supporting documents/records</p> <p>3.2.250. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements.</p> <p>3.2.251. The management of the WMC reported that the Corporation was unable to locate/retrieve some financial documents/records due to them being illegible, damaged, or lost. As a result, I was unable to perform key audit procedures to determine whether the significant account balances and transactions were fairly presented in the financial statements.</p>	<p>Cash & Cash Equivalents \$36.2 million</p> <p>Revenue \$250.6 million</p> <p>Expenditures \$416.5 million</p>
<p><u>St. Thomas Municipal Corporation</u></p> <p>3.2.252. The audit of the financial statements of the St. Thomas Municipal Corporation (STMC) for the 2011/2012 financial year revealed the following area of concern:</p>	

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>Limitation of scope due to the absence of sufficient appropriate supporting documents/records</p> <p>3.2.253. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements.</p> <p>3.2.254. The management of the STMC reported that the Corporation was unable to provide majority of the accounting records due to a lack of space, pest infestation, and the heat affecting the metal container in which the documents were stored. Management also stated that some of the documents/records were damaged. As a result, I was unable to perform key audit procedures to determine whether these amounts were fairly presented in the financial statements.</p>	<p>Revenue \$287.1 million</p> <p>Expenditure \$273.45 million</p>
<p><u>Portland Municipal Corporation</u></p> <p>3.2.255. The audit of the financial statements of the Portland Municipal Corporation (PMC) for the 2018/2019 financial year revealed the following areas of concern:</p> <p>Limitation of scope due to deficiencies in record-keeping and internal controls</p> <p>3.2.256. Management failed to provide sufficient and appropriate documentary evidence, such as detailed audit schedules, updated sub-ledgers, journal vouchers and other relevant documents/records, to support the balances for assets totalling \$33,776,497; liabilities totalling \$98,887,211; other reserves totalling \$224,004,447; and revenue and expenditure adjustment totalling \$6,794,000. As a result, I was unable to perform key audit procedures to determine whether these amounts were fairly presented in the financial statements.</p> <p>Non-Compliance with the applicable financial reporting framework</p> <p>3.2.257. The PMC has not yet implemented an accrual accounting system based on International Public Sector Accounting Standards (IPSAS) as required by the Local Government (Financing and Financial Management) Act, which became effective March 1, 2016. The Corporation was still operating under the modified accrual framework for the reporting period and as such, some account balances may be materially misstated and the financial statements may not be in compliance with the applicable financial reporting framework i.e., IPSAS.</p> <p>3.2.258. In response, management indicated that the <i>“Corporation is still experiencing difficulties in meeting the required standard for presentation of the Financial Statement, as the SAGE Software currently being used is outdated and has continuous glitches. However, with the Ministry initiating the bidding</i></p>	<p>\$363.46 million</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p><i>process for upgrade to the FMIS within the local authorities, this will extensively improve the financial reporting necessary to facilitate future audits as required by the Local Government (Financing and Financial Management) Act. The Corporation will also commence preparing schedules so that adjustments can be made in line with accounting policies and procedures”.</i></p> <p>Weak Information Technology (IT) Controls</p> <p>3.2.259. The audit identified weaknesses in the controls over the Corporation’s accounting and payroll systems. The roles/functions within the payroll application were not appropriately segregated to reduce the risk of errors or irregularities going undetected. Instead, all users were assigned to one group, allowing them to add or remove employees or other users and to process a payroll from start to finish without the need for independent review or approval.</p> <p>3.2.260. The roles/functions within the accounting application were also not appropriately segregated as the administrator account was assigned to all user groups and at least two user IDs were not assigned to specific individuals. Additionally, the software supplier had an active administrator account and a regular user account on the system. Other access control deficiencies in the accounting system include excessive login attempts allowed, and the absence of enforced password complexity and expiration requirements. Management has since taken steps to strengthen the controls over the accounting application.</p>	
<p><u>St. Mary Municipal Corporation</u></p> <p>3.2.261. The audit of the financial statements of the St. Mary Municipal Corporation (SMMC) for the 2011/2012, 2012/2013, 2013/2014 and 2014/2015 financial years revealed the following area of concern:</p> <p>Limitation of scope due to the absence of sufficient appropriate supporting documents/records</p> <p>3.2.262. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements. Management advised that they were unable to locate majority of the accounting records due to the lapse of time. As a result, I was unable to perform key audit procedures to determine whether the transactions, balances, and disclosures were fairly presented in the financial statements.</p> <p>3.2.263. Management subsequently indicated that the <i>“Corporation will continue to conduct a deep dive into all storage areas to retrieve the documents that were not located in time for the short audit period. When located, they will be presented to the department”.</i></p>	<p>Cash and Cash Equivalents \$386.3 million</p> <p>Revenue \$1.99 billion</p> <p>Expenditure \$2.06 billion</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p><u>St. James Municipal Corporation</u></p> <p>3.2.264. The audit of the financial statements of the St. James Municipal Corporation (SJMC) for the 2014/2015, 2015/2016, 2016/2017 and 2017/2018 financial years revealed the following areas of concern:</p> <p>Limitation of scope due to the unavailability of accounting records</p> <p>3.2.265. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements.</p> <p>3.2.266. The Management of the SJMC reported that the Corporation was unable to provide the relevant accounting records to support the significant account balances, transactions, and disclosures in the financial statements, due to a system failure, which resulted in the loss of accounting information for the periods under review. Additionally, management indicated that they were unable to locate some of the supporting documents, due to the passage of time. As a result, I was unable to perform key audit procedures to determine whether the transactions, account balances, and disclosures were fairly presented in the financial statements.</p> <p>Non-Compliance with the applicable financial reporting framework</p> <p>3.2.267. The SJMC has not yet implemented an accrual accounting system based on International Public Sector Accounting Standards (IPSAS) as required by the Local Government (Financing and Financial Management) Act, which became effective March 1, 2016. The Corporation was still operating under the modified accrual framework for the 2016/2017 and 2017/2018 financial years and as such, some account balances may be materially misstated and the financial statements are not in compliance with the applicable financial reporting framework i.e., IPSAS.</p> <p>3.2.268. The Ministry of Local Government and Community Development has since written to the Financial Secretary for further guidance on the way forward.</p> <p>Weak Information Technology (IT) Control Environment</p> <p>3.2.269. The Corporation did not have any documented policies in place to address the significant IT related risks that impact its financial reporting process. Notwithstanding a previous failure in its IT system resulting in the loss of accounting information, management has not yet implemented the relevant policies and procedures governing areas such as disaster recovery and business continuity, IT security, access controls, and change management in order to reduce the risk of further loss.</p>	<p>Cash & Cash Equivalents \$271.7 million</p> <p>Revenue \$4.79 billion</p> <p>Expenditure \$4.99 Billion</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE
<p>3.2.270. Management subsequently indicated that steps are being taken to strengthen the relevant controls.</p>	
<p><u>St. Elizabeth Municipal Corporation</u></p> <p>Limitation of scope due to the absence of sufficient appropriate audit evidence</p> <p>3.2.271. The audit of the 2013/2014 financial statements revealed material discrepancies between the draft financial statements submitted for audit and the Corporation’s underlying records. Consequently, management resubmitted a revised set of financial statements and an updated general ledger. However, the Corporation failed to provide the relevant journal vouchers to support the changes in its revised financial statements. While some records were provided during the audit, I was unable to determine whether the following amounts were fairly presented as management did not provide sufficient appropriate evidence to support all the relevant transactions and balances selected for testing:</p> <ul style="list-style-type: none"> • expenditure totalling \$472,515,761; • revenue totalling \$236,445,214; • assets totalling \$43,360,997; • bank overdraft totalling \$32,020,269; • other liabilities totalling \$80,947,722; • revenue and expenditure adjustment totalling \$9,374,944; and • reserves totalling \$64,394,190. 	<p>Revenue \$236.4 million</p> <p>Expenditure \$472.5 million</p> <p>Bank overdraft \$32 million</p>
<p><u>Portmore City Municipality</u></p> <p>3.2.272. The audit of the financial statements of the Portmore City Municipality (PCM) for the 2014/2015, 2015/2016 and 2016/2017 financial years revealed the following areas of concern:</p> <p>Limitation of scope due to the unavailability of accounting records</p> <p>3.2.273. I was unable to express an opinion on the financial statements due to the pervasive absence of sufficient and appropriate audit evidence to support the transactions, account balances and disclosures in the financial statements. Management reported that the Municipality was unable to confirm the completeness and accuracy of the general ledgers and trial balances that were submitted, due to an incident that occurred in September 2017, resulting in the theft and damage of its computer hardware. As a result, I was unable to perform key audit procedures to determine whether the transactions, balances, and disclosures were fairly presented and complied with the relevant financial reporting framework. Management has since taken steps to strengthen the relevant controls.</p>	<p>Cash & Cash Equivalents \$284.4 million</p> <p>Revenue \$1.28 billion</p> <p>Expenditure \$1.22 billion</p>

ISSUE/CONCERNS	FINANCIAL EXPOSURE																											
<p><i>Non-compliance with the applicable financial reporting framework</i></p> <p>3.2.274. The PCM has not yet implemented an accrual accounting system based on International Public Sector Accounting Standards (IPSAS) as required by the Local Government (Financing and Financial Management) Act, which became effective March 1, 2016. The Municipality was still operating under the modified accrual framework for the 2016/2017 financial year and as such, some account balances may be materially misstated and the financial statements are not in compliance with the applicable financial reporting framework i.e., IPSAS.</p>																												
<p><u>General Response from MLGCD</u></p> <p>3.2.275. The Ministry continues its efforts to support the MCs in implementing an accrual accounting system based on IPSAS. In this regard, procurement of an Enterprise Resource Planning (ERP) corporate solution to provide the necessary support to each MC continues. The timeline to acquire the system has, however, again been adjusted due to the challenges of responding to the passage of Hurricane Beryl in 2024 and other unforeseen weather events, which resulted in a shift in operational activities to respond to the impact of the events. The updated procurement schedule for the Enterprise Resource Planning (ERP) solution is shown at <i>Table 22</i> below.</p> <p>3.2.276. The MLGCD also requested the Financial Secretary, via letter dated December 2, 2024, to issue the relevant policies and guidelines consistent with Section 7 (1) (a) (i) of the Local Government (Financing and Financial Management) Act. Additionally, each MC has again been reminded that where documentation is missing to allow for the review and audit of the financials by the Auditor General, that same should be reported consistent with GoJ's legal requirements.</p>																												
<p>Table 24: MLGCD's Procurement Schedule for the ERP</p> <table border="1" data-bbox="215 1406 1150 1921"> <thead> <tr> <th data-bbox="215 1406 555 1435">Activity</th> <th data-bbox="560 1406 852 1435">Estimated Date/Period</th> <th data-bbox="857 1406 1150 1435">Remarks</th> </tr> </thead> <tbody> <tr> <td data-bbox="215 1442 555 1525">Finalize preliminary information and Bidding document</td> <td data-bbox="560 1442 852 1525">December 9-20, 2024</td> <td data-bbox="857 1442 1150 1525">Internal Estimate, Response from MCs re specification & queries</td> </tr> <tr> <td data-bbox="215 1532 555 1583">Prepare and publish tender notices</td> <td data-bbox="560 1532 852 1583">January 11 & 14, 2025</td> <td data-bbox="857 1532 1150 1583"></td> </tr> <tr> <td data-bbox="215 1590 555 1619">Publish of Tender on GOJEP</td> <td data-bbox="560 1590 852 1619">January 13, 2025</td> <td data-bbox="857 1590 1150 1619"></td> </tr> <tr> <td data-bbox="215 1626 555 1677">Bid submission deadline/Tender closes</td> <td data-bbox="560 1626 852 1677">February 10, 2025</td> <td data-bbox="857 1626 1150 1677"></td> </tr> <tr> <td data-bbox="215 1684 555 1767">Evaluation of bids</td> <td data-bbox="560 1684 852 1767">February 13-March 4, 2025</td> <td data-bbox="857 1684 1150 1767">This may vary depending on the availability of Evaluation team members</td> </tr> <tr> <td data-bbox="215 1774 555 1825">Preparation of Tender Evaluation report</td> <td data-bbox="560 1774 852 1825">March 7-17, 2025</td> <td data-bbox="857 1774 1150 1825"></td> </tr> <tr> <td data-bbox="215 1832 555 1883">Endorsement by PS and submission to PPC</td> <td data-bbox="560 1832 852 1883">March 25-28,2025</td> <td data-bbox="857 1832 1150 1883"></td> </tr> <tr> <td data-bbox="215 1890 555 1919">Endorsement from PPC</td> <td data-bbox="560 1890 852 1919">April 23-26, 2025</td> <td data-bbox="857 1890 1150 1919"></td> </tr> </tbody> </table>	Activity	Estimated Date/Period	Remarks	Finalize preliminary information and Bidding document	December 9-20, 2024	Internal Estimate, Response from MCs re specification & queries	Prepare and publish tender notices	January 11 & 14, 2025		Publish of Tender on GOJEP	January 13, 2025		Bid submission deadline/Tender closes	February 10, 2025		Evaluation of bids	February 13-March 4, 2025	This may vary depending on the availability of Evaluation team members	Preparation of Tender Evaluation report	March 7-17, 2025		Endorsement by PS and submission to PPC	March 25-28,2025		Endorsement from PPC	April 23-26, 2025		
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ISSUE/CONCERNS			FINANCIAL EXPOSURE
Preparation and review of Cabinet Submission	April 29-May 16, 2025		
Approval from Cabinet	June 9-16, 2025		
Contract award, preparation, and review	June 17, 2025 – July 28, 2025		
Outstanding Financial Statements			
<p>3.2.277. At the time of this report, the responsible officers have not submitted a total of 86 financial statements (<i>Table 25</i>) as required by the Local Government (Financing and Financial Management) Act.</p>			
Table 25			
Municipal Corporations	Years	Total outstanding	Response
St. Mary Municipal Corporation	2016/2017 - 2023/2024	8	<ul style="list-style-type: none"> The Corporation still does not have dedicated/specific internal personnel to work on the statements. Frequent staff turnover has negatively impacted speedier reduction of the outstanding statements as new staff takes time to be trained to carry out the related tasks needed. The contractor engaged to upload the information so that the backlog statements can be compiled has been working assiduously with us to ensure correctness of records and information. Internet connectivity issues at the Corporation and between the Corporation and our consultant are impacting the adherence to the previous timelines set for submission. We will endeavor to resolve the issues we can, to ensure the submission of the remainder of statements are on track. 2016/2017 financial statements is 90% completed and is to be submitted by the end of January 2025. 2017/2018 financial statements will be completed by the end of March 2025. 2019/2020 to 2023/2024 - two statements per year proposed to be submitted.
Portmore City Municipality	2021/2022 - 2023/2024	3	No response
Hanover Municipal Corporation	2019/2020 - 2023/2024	5	No response
Westmoreland Municipal Corporation	2014/2015 - 2023/2024	10	No response

ISSUE/CONCERNS				FINANCIAL EXPOSURE
St. Thomas Municipal Corporation	2013/2014 - 2023/2024	11	No response	
St. James Municipal Corporation	2019/2020 - 2023/2024	5	No response	
Portland Municipal Corporation	2021/2022 - 2023/2024	3	<ul style="list-style-type: none"> 2021/2022 –will be submitted by March 2025. 2022/2023 & 2023/2024 – will be submitted by July 2025. <p>To meet these commitments staff from the Accounting Department have committed to carry out these duties over the weekends, due to limited staff and heavy workload. The Corporation is committed to completing all outstanding statements as mentioned.</p>	
St. Elizabeth Municipal Corporation	2023/2024	1	No response	
Clarendon Municipal Corporation	2016/2017 - 2023/2024	8	No response	
Kingston and St. Andrew Municipal Corporation	2016/2017 - 2023/2024	8	No response	
Trelawny Municipal Corporation	2021/2022 - 2023/2024	3	Financial Statements for the years 2021/2022, 2022/2023 and 2023/2024 (with some outsourcing assistance) are projected to be completed and submitted in the required IPSAS format by July 31, 2025.	
St. Catherine Municipal Corporation	2020/2021 - 2023/2024	4	No response	
Manchester Municipal Corporation	2023/2024	1	No response	
St. Ann Municipal Corporation	2009/2010 - 2023/2024	15	No response	
Parochial Revenue Fund	2023/2024	1	The 2023/2024 financial statements will be submitted before the end of January 2025. The delay was due to the late receipt of outstanding documentation from a financial institution.	
Total Financial Statements Outstanding		86		

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APPENDICES



APPENDICES

List of Outstanding Statements

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
	Forestry Department (*)	Accrual basis	2021/2022 - 2023/2024	3
	Bath Fountain Hotel and Spa	Cash basis	2022/2023 - 2023/2024	2
	Private Security Regulation Authority	Cash basis	2022/2023 - 2023/2024	2
	National Environment and Planning Agency (*)	Accrual Basis	2021/2022 - 2023/2024	3
	Companies Office of Jamaica	Accrual basis	2023/2024	1
	Jamaica Customs Agency (*)	Accrual Basis	2022/2023 - 2023/2024	2
	National Commission for Science & Technology	Cash Basis	2015/2016 - 2023/2024	9
	Jamaica Intellectual Property Office	Accrual Basis	2023/2024	1
	National Land Agency (*)	Accrual Basis	2019/2020 - 2023/2024	5
	Passport, Immigration and Citizenship Agency (*)	Accrual basis	2018/2019 - 2023/2024	6
	Capital Development Fund	Accrual basis	2017/2018 - 2023/2024	7
	Pesticides Control Authority	Accrual basis	2016/2017 - 2023/2024	8
	National Council on Education	Accrual Basis	2020/2021 - 2023/2024	4
	Council of Community Colleges of Jamaica	Accrual Basis	2022/2023 - 2023/2024	2
	Anti-Dumping and Subsidies	Accrual Basis	2021/2022 - 2023/2024	3
	Financial Investigation Division	Accrual Basis	2022/2023 - 2023/2024	2
	Institute of Jamaica	Accrual basis	2017/2018 - 2023/2024	7
	Jamaica National Heritage Trust	Accrual basis	2010/2011 - 2023/2024	14
	Jamaica Veterinary Board	Cash Basis	2020/2021 - 2023/2024	4
	Land Administration Management Programme	Accrual Basis	2015/2016 - 2017/2018	3
	National Council on Drug Abuse	Accrual basis	2014/2015 - 2023/2024	10
	National Gallery of Jamaica	Accrual basis	2016/2017 - 2023/2024	8
	Export Division	Accrual Basis	2021/2022 - 2023/2024	3
	National Insurance Scheme	Accrual Basis	2022/2023 - 2023/2024	2
	National Youth Services	Accrual basis	2015/2016 - 2019/2020	5
	Pharmacy Council of Jamaica	Accrual basis	2021/2022 - 2023/2024	3
	Police Civilian Oversight Authority	Accrual basis	2020/2021 - 2023/2024	4
	Social Development Commission	Accrual Basis	2021/2022 - 2023/2024	3
	National Library of Jamaica	Cash Basis	2019/2020 - 2023/2024	5
	Jamaica Library Service	Accrual Basis	2019/2020 - 2023/2024	5
	Early Childhood Commission	Accrual Basis	2023/2024	1
	Jamaica International Financial Services Authority	Accrual Basis	2017/2018 - 2023/2024	7
	Clarendon Municipal Corporation	Modified Accrual Basis	2016/2017 - 2023/2024	8
	Hanover Municipal Corporation	Modified Accrual Basis	2019/2020 - 2023/2024	5

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
	Kingston & St. Andrew Municipal Corporation	Modified Accrual Basis	2016/2017 - 2023/2024	8
	Manchester Municipal Corporation	Modified Accrual Basis	2023/2024	1
	Portland Municipal Corporation	Modified Accrual Basis	2021/2022 - 2023/2024	3
	Portmore City Municipality	Modified Accrual Basis	2021/2022 - 2023/2024	3
	St. Ann Municipal Corporation	Modified Accrual Basis	2009/2010 - 2023/2024	15
	St. Catherine Municipal Corporation	Modified Accrual Basis	2020/2021 - 2023/2024	4
	St. Elizabeth Municipal Corporation	Modified Accrual Basis	2023/2024	1
	St. James Municipal Corporation	Modified Accrual Basis	2019/2020 - 2023/2024	5
	St. Mary Municipal Corporation	Modified Accrual Basis	2016/2017 - 2023/2024	8
	St. Thomas Municipal Corporation	Modified Accrual Basis	2013/2014 - 2023/2024	11
	Trelawny Municipal Corporation	Modified Accrual Basis	2021/2022 - 2023/2024	3
	Westmoreland Municipal Corporation	Modified Accrual Basis	2014/2015 - 2023/2024	10
	Parochial Revenue Fund	Accrual Basis	2023/2024	1
	Accountant General's Department - Statement C	Cash Basis	2020/2021; 2022/2023; 2023/2024	3
	Accountant General's Department - Statement H	Cash Basis	2018/2019 - 2023/2024	6
	Accountant General's Department - Statement J	Cash Basis	2023/2024	1
02000	Houses of Parliament	Appropriation Accounts	2018/2019 - 2023/2024	6
03000	Office of the Public Defender	Appropriation Accounts	2020/2021 - 2023/2024	4
06000	Office of the Services Commission	Appropriation Accounts	2022/2023 - 2023/2024	2
07000	Office of the Children's Advocate	Appropriation Accounts	2023/2024	1
08000	INDECOM	Appropriation Accounts	2023/2024	1
15020	Registrar General's Department (*)	Appropriation Accounts	2014/2015; 2020/2021 - 2023/2024	5
15039	Post and Telecommunications Department	Appropriation Accounts	2023/2024	1
19046	Forestry Department (*)	Appropriation Accounts	2015/2016 - 2023/2024	11
19047	National Land Agency (*)	Appropriation Accounts	2019/2020 - 2023/2024	5
19048	National Environmental Planning Agency (*)	Appropriation Accounts	2021/2022 - 2023/2024	3
19050	National Works Agency (*)	Appropriation Accounts	2022/2023 - 2023/2024	2
20000	Ministry of Finance and the Public Service	Appropriation Accounts	2023/2024	1
20011	Accountant General's Department	Appropriation Accounts	2022/2023 - 2023/2024	2
20012	Jamaica Customs Agency (*)	Appropriation Accounts	2014/2015 - 2023/2024	10
20017	Public Debt (Amortisation)	Appropriation Accounts	2018/2019; 2020/2021 - 2023/2024	5
20018	Public Debt (Interest)	Appropriation Accounts	2019/2020 - 2023/2024	5
20019	Pensions	Appropriation Accounts	2013/2014 - 2014/2015; 2016/2017 - 2023/2024	10
20056	Tax Administration Jamaica	Appropriation Accounts	2023/2024	1
26000	Ministry of National Security	Appropriation Accounts	2022/2023 - 2023/2024	2

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
26000C	Ministry of National Security	Appropriation Accounts	2022/2023 - 2023/2024	2
26022	Police Department	Appropriation Accounts	2020/2021 - 2023/2024	4
26024	Department of Correctional Services	Appropriation Accounts	2019/2020 - 2023/2024	5
26053	Passport, Immigration & Citizenship Agency	Appropriation Accounts	2023/2024	1
26057	Institute of Forensic Science & Legal Medicine	Appropriation Accounts	2017/2018 - 2023/2024	7
26059	Major Organised Crime & Anti-Corruption Agency	Appropriation Accounts	2022/2023	1
28027	Resident Magistrates' Courts/Parish Courts	Appropriation Accounts	2013/2014	1
28029	Supreme Court	Appropriation Accounts	2013/2014; 2015/2016	2
28032	Trustee in Bankruptcy	Appropriation Accounts	2014/2015 - 2017/2018	4
30000	Ministry of Foreign Affairs & Foreign Trade	Appropriation Accounts	2022/2023 - 2023/2024	2
40000	Ministry of Labour & Social Security	Appropriation Accounts	2021/2022 - 2023/2024	3
40000A	Ministry of Labour & Social Security	Appropriation Accounts	2012/2013	1
40000C	Ministry of Labour & Social Security	Appropriation Accounts	2020/2021-2023/2024	4
41000	Ministry of Education and Youth	Appropriation Accounts	2016/2017 - 2017/2018; 2020/2021 - 2023/2024	6
41000A	Ministry of Education and Youth	Appropriation Accounts	2016/2017 - 2017/2018	2
41000B	Ministry of Education and Youth	Appropriation Accounts	2016/2017 - 2017/2018	2
41000C	Ministry of Education and Youth	Appropriation Accounts	2020/2021 - 2023/2024	4
41051	Child Protection and Family Services Agency (formerly Child Development Agency) (*)	Appropriation Accounts	2022/2023 - 2023/2024	2
42000	Ministry of Health and Wellness	Appropriation Accounts	2013/2014 - 2023/2024	11
42000A	Ministry of Health and Wellness	Appropriation Accounts	2015/2016 - 2017/2018	3
42000B	Ministry of Health and Wellness	Appropriation Accounts	2015/2016 - 2018/2019	4
42000C	Ministry of Health and Wellness	Appropriation Accounts	2019/2020 - 2023/2024	5
42034	Bellevue Hospital	Appropriation Accounts	2015/2016; 2018/2019; 2023/2024	3
42035	Government Chemist	Appropriation Accounts	2015/2016; 2017/2018 - 2019/2020; 2023/2024	5
46000	Ministry of Culture, Gender, Entertainment & Sport	Appropriation Accounts	2022/2023 - 2023/2024	2
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	2023/2024	1
51000C	Ministry of Agriculture & Fisheries	Appropriation Accounts	2022/2023 - 2023/2024	2
53000	Ministry of Industry, Investment and Commerce	Appropriation Accounts	2020/2021; 2022/2023 - 2023/2024	3
53000C	Ministry of Industry, Investment and Commerce	Appropriation Accounts	2020/2021; 2022/2023 - 2023/2024	3
5300	Ministry of Industry, Investment & Commerce	Appropriation Accounts	2011/2012	1

Head	Ministry, Statutory Bodies and Executive Agencies	Type of Statement	Years	Total outstanding
53038	Companies Office of Jamaica (*)	Appropriation Accounts	2023/2024	1
56039	Post and Telecommunications Department	Appropriation Accounts	2023/2024	1
69039	Post and Telecommunications Department	Appropriation Accounts	2023/2024	1
	Total			421
	<i>* These entities are required to prepare both Appropriation Accounts and accrual basis financial statements.</i>			

List of Audits Conducted and Status-Backlog/Municipal Corporations

Backlog Project Audits-Municipal Corporations								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
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	
Manchester MC	FS	2022/2023	Financial Statements	1	WIP		1	
St. James MC	FS	2014/2015	Financial Statements	1	Certified	1		
St. James MC	FS	2015/2016	Financial Statements	1	Certified	1		
St. James MC	FS	2016/2017	Financial Statements	1	Certified	1		
St. James MC	FS	2017/2018	Financial Statements	1	Certified	1		
St. Thomas MC	FS	2011/2012	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	
Portmore City Municipality	FS	2014/2015	Financial Statements	1	Certified	1		
Portmore City Municipality	FS	2015/2016	Financial Statements	1	Certified	1		
Portmore City Municipality	FS	2016/2017	Financial Statements	1	Certified	1		

Backlog Project Audits-Municipal Corporations								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Westmoreland MC	FS	2013/2014	Financial Statements	1	Certified	1		
Clarendon MC	FS	2011/2012	Financial Statements	1	Certified	1		
Clarendon MC	FS	2012/2013	Financial Statements	1	Certified	1		
Clarendon MC	FS	2013/2014	Financial Statements	1	Certified	1		
Clarendon MC	FS	2014/2015	Financial Statements	1	Certified	1		
Clarendon MC	FS	2010/2011	Financial Statements	1	Certified	1		
Trelawny MC	FS	2015/2016	Financial Statements	1	Certified	1		
Trelawny MC	FS	2016/2017	Financial Statements	1	Certified	1		
Trelawny MC	FS	2017/2018	Financial Statements	1	Completed			1
Trelawny MC	FS	2018/2019	Financial Statements	1	Completed			1
St. Mary	FS	2011/2012	Financial Statements	1	Certified	1		
St. Mary	FS	2012/2013	Financial Statements	1	Certified	1		
St. Mary	FS	2013/2014	Financial Statements	1	Certified	1		
St. Mary	FS	2014/2015	Financial Statements	1	Certified	1		
Hanover	FS	2016/2017	Financial Statements	1	Completed			1
Hanover MC	FS	2017/2018	Financial Statements	1	WIP		1	
Hanover MC	FS	2018/2019	Financial Statements	1	WIP		1	
Jamaica Vet Board	FS	2015/2016	Financial Statements	1	Certified	1		
Jamaica Vet Board	FS	2016/2017	Financial Statements	1	Certified	1		
Jamaica Vet Board	FS	2017/2018	Financial Statements	1	Certified	1		
Jamaica Vet Board	FS	2018/2019	Financial Statements	1	Certified	1		
Jamaica Vet Board	FS	2019/2020	Financial Statements	1	Certified	1		
Trelawny MC	FS	2019/2020	Financial Statements	1	Completed			1
Hanover MC	FS	2015/2016	Financial Statements	1	Certified	1		
JIFSA	FS	2012/2013	Financial Statements	1	Completed			1
JIFSA	FS	2013/2014	Financial Statements	1	Completed			1
JIFSA	FS	2014/2015	Financial Statements	1	Completed			1

Backlog Project Audits-Municipal Corporations								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
JIFSA	FS	2015/2016	Financial Statements	1	WIP		1	
JIFSA	FS	2016/2017	Financial Statements	1	WIP		1	
National Youth Service (NYS)	FS	2013/2014	Financial Statements	1	WIP		1	
St. Catherine MC	FS	2011/2012	Financial Statements	1	WIP		1	
St. Catherine MC	FS	2012/2013	Financial Statements	1	WIP		1	
St. Catherine MC	FS	2013/2014	Financial Statements	1	WIP		1	
Portmore MC	FS	2019/2020	Financial Statements	1	WIP		1	
Portmore MC	FS	2017/2018	Financial Statements	1	WIP		1	
Total				54		26	21	7

List of Audits Conducted and Status-Financial Statements

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	Certified	1		
Firearm Licensing Authority (FLA)	FS	2019/2020	Financial Statement	1	Certified	1		
Passport Immigration and Citizenship Agency (PICA)	FS	2014/2015	Financial Statement	1	Certified	1		
Passport Immigration and Citizenship Agency (PICA)	FS	2015/2016	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	2019/2020	Financial Statement	1	WIP		1	
Forestry Department	FS	2020/2021	Financial Statement	1	WIP		1	
Forestry Department	FS	2018/2019	Financial Statement	1	Completed-Returned to client for correction			1
Companies Office of Jamaica (CoJ)	FS	2019/2020	Financial Statement	1	Certified	1		
Early Childhood Commission (ECC)	FS	2022/2023	Financial Statement	1	Certified	1		
Jamaica Information Service (JIS)	FS	2022/2023	Financial Statement	1	Certified	1		

Financial Statements								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Council of Community Colleges (CCCJ)	FS	2021/2022	Financial Statement	1	Certified	1		
Financial Investigations Division (FID)	FS	2019/2020	Financial Statement	1	Completed-returned for signature			1
Social Development Commission (SDC)	FS	2020/2021	Financial Statement	1	Certified	1		
Jamaica Customs Agency (JCA)	FS	2020/2021	Financial Statement	1	WIP		1	
Jamaica Customs Agency (JCA)	FS	2021/2022	Financial Statement	1	WIP		1	
Jamaica Customs Agency (JCA)	FS	2019/2020	Financial Statement	1	WIP		1	
Registrar General's Department (RGD)	FS	2021/2022	Financial Statement	1	Certified	1		
Jamaica Intellectual Property Office (JIPO)	FS	2021/2022	Financial Statement	1	Certified	1		
National Land Agency (NLA)	FS	2010/2011	financial Statement	1	Certified	1		
Companies Office of Jamaica	FS	2016/2017	financial Statement	1	Certified	1		
AcGD-Consolidated Fund	FS	2020/2021	financial Statement	1	Certified	1		
Jamaica 4H Clubs	FS	2019/2020	Financial Statement	1	Certified	1		
Jamaica 4H Clubs	FS	2020/2021	Financial Statement	1	Completed-returned			1
INTOSAI	FS	2023	Financial Statement	1	Certified	1		
BIGEE-Project	FS	2023/2024	Financial Statement	1	Certified	1		
JAF for MSMEs Project	FS	2023/2024	Financial Statement	1	Certified	1		
Ministry of Agriculture & Fisheries Promoting Community Based Climate Resilience (PCCR)	FS	2023/2024	Financial Statement	1	Certified	1		
Jamaica International Financial Services Authority (JIFSA)	FS	2011/2012	Financial Statement	1	Certified	1		
Private Security Regulation Authority (PSRA)	FS	2021/2022	Financial Statement	1	Certified	1		
Private Security Regulation Authority (PSRA)	FS	2022/2023	Financial Statement	1	WIP		1	
Ministry of Health (MOH)-PROJECT-Support for the Health Systems Strengthening for the Prevention and Care Management for the Non-Comm Disease Programme	FS	TBD	Financial Statement	1	Certified	1		

Financial Statements								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Management Institute for National Development (MIND)	FS	2023/2024	Financial Statement	1	Certified	1		
National Environmental Planning Agency (NEPA)-PROJECT-Integrating Water, Land and Ecosystems Management in Caribbean Small Island Developing States	FS	2022/2023	Financial Statement	1	Certified	1		
National Environmental Planning Agency (NEPA)-PROJECT	FS	2023/2024	Financial Statement	1	WIP		1	
National Environmental Planning Agency (NEPA)	FS	2020/2021	Financial Statement	1	Completed-returned for correction			1
Pharmacy Council of Jamaica	FS	2020/2021	Financial Statement	1	Completed-returned for correction			1
National Insurance Scheme (NIS)	FS	2015/2016	Financial Statement	1	Completed			1
National Works Agency (NWA)	FS	2021/2022	Financial Statement	1	Certified	1		
National Works Agency (NWA)	FS	2022/2023	Financial Statement	1	WIP		1	
Antidumping	FS	TBD	Financial Statement	1	Certified	1		
Ministry of Justice-SOCAP	FS	TBD	Financial Statement	1	Certified	1		
Early Childhood Commission	FS	2023/2024	Financial Statement	1	Certified	1		
Public Procurement Commission (PPC)	FS	2023/2024	Financial Statement	1	Certified	1		
Export Division	FS	2013/2014	Financial Statement	1	Completed-returned for signature			1
Export Division	FS	2012/2013	Financial Statement	1	Completed-returned for signature			1
JSIF-DVRP	FS	2023/2024	Financial Statement	1	Certified	1		
JSIF-REDI	FS	2023/2024	Financial Statement	1	Certified	1		
PIOJ-Foundations for Competitiveness and Growth Project	FS	2023/2024	Financial Statement	1	Certified	1		
Financial Investigations Division (FID)	FS	2018/2019	Financial Statement	1	Certified	1		
Parochial Revenue Fund	FS	2020/2021	Financial Statement	1	Certified	1		

Financial Statements								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Parochial Revenue Fund	FS	2021/2022	Financial Statement	1	Certified	1		
Accountant General's Department-Statement C	FS	2021/2022	Financial Statement	1	Certified	1		
Accountant General's Department-Statement C	FS	2019/2020	Financial Statement	1	Certified	1		
Jamaica Customs Agency (JCA)	FS	2019/2020	Financial Statement	1	Certified	1		
Export Division	FS	2014/2015	Financial Statement	1	Completed-returned for signature			1
Export Division	FS	2015/2016	Financial Statement	1	Completed-returned for signature			1
Jamaica 4H Clubs	FS	2021/2022	Financial Statement	1	WIP		1	
National Council on Education (NCE)	FS	TBD	Financial Statement	1	Not submitted			
Jamaica Intellectual Property Office (JIPO)	FS	2022/2023	Financial Statement	1	WIP		1	
Companies Office of Jamaica (COJ)	FS	2020/2021	Financial Statement	1	WIP		1	
Financial Investigations Division (FID)	FS	2020/2021	Financial Statement	1	Completed-returned for signature		1	1
Jamaica Library Service (JLS)	FS	2014/2015	Financial Statement	1	Suspended			
Accountant General's Department-Statement J	FS	2022/2023	Financial Statement	1	WIP		1	
Accountant General's Department-Statement H	FS	2012/2013	Financial Statement	1	WIP		1	
Overseas Examinations Commission (OEC)	FS	2022/2023	Financial Statement	1	WIP		1	
Overseas Examinations Commission (OEC)	FS	2023/2024	Financial Statement	1	WIP		1	
Jamaica National Heritage Trust (JNHT)	FS	2009/2010	Financial Statement	1	WIP		1	
Bath Fountain	FS	2021/2022	Financial Statement	1	WIP		1	
Police Civilian Oversight Authority (PCOA)	FS	2019/2020	Financial Statement	1	WIP		1	
Institute of Jamaica (IOJ)	FS	2015/2016	Financial Statement	1	WIP		1	
Administrator General's Department	FS	2022/2023	Financial Statement	1	WIP		1	
Milk River Hotel & Spa	FS	2022/2023	Financial Statement	1	WIP		1	
INDECOM SOCAP Project	FS	2023/2024	Financial Statement	1	Certified	1		
MOJ SOCAP Project	FS	2023/2024	Financial Statement	1	Certified	1		

Financial Statements								
Name of Client	Statement Type	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Total				75		39	25	11

List of Appropriation Accounts and Status

APPROPRIATION ACCOUNTS							
Name of Client	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Office of the Prime Minister (OPM)	2019/2020	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2020/2021	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2021/2022	Appropriation Accounts	1	WIP		1	
Office of the Prime Minister (OPM)	2021/2022	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	2021/2022	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	2021/2022	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	2020/2021	Appropriation Accounts	1	Certified	1		
Ministry of Economic Growth & Job Creation (MEGJC)	2020/2021	Appropriation Accounts	1	Certified	1		
Judiciary	2019/2020	Appropriation Accounts	1	Certified	1		
Judiciary	2020/2021	Appropriation Accounts	1	Certified	1		
Judiciary	2021/2022	Appropriation Accounts	1	Certified	1		
Court Administration Division (CAD)	2018/2019	Appropriation Accounts	1	WIP		1	
Office of the Children's Advocate (OCA)	2019/2020	Appropriation Accounts	1	WIP		1	
Office of the Children's Advocate (OCA)	2020/2021	Appropriation Accounts	1	WIP		1	
Resident Magistrates Court (RCM)	2012/2013	Appropriation Accounts	1	WIP		1	
Supreme Court	2012/2013	Appropriation Accounts	1	WIP		1	
Passport Immigration & Citizenship Agency (PICA)	2014/2015	Appropriation Accounts	1	Completed- awaiting resubmission			1
Legal Reform Department (LRD)	2021/2022	Appropriation Accounts	1	WIP		1	
Director of Public Prosecutions (DPP)	2018/2019	Appropriation Accounts	1	WIP		1	
Ministry of Tourism (MoT)	2018/2019	Appropriation Accounts	1	Completed- awaiting resubmission			1
Post & Telecommunications Department (PTD)	2017/2018	Appropriation Accounts	1	WIP		1	
Ministry of National Security (MNS)	2019/2020	Appropriation Accounts	1	WIP		1	

APPROPRIATION ACCOUNTS							
Name of Client	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Ministry of National Security (MNS)	2019/2020	Appropriation Accounts	1	Completed- awaiting resubmission			1
Ministry of Justice (MoJ)	2019/2020	Appropriation Accounts	1	WIP		1	
Ministry of Justice (MoJ)	2019/2020	Appropriation Accounts	1	WIP		1	
Ministry of Justice (MoJ)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Justice (MoJ)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Justice (MoJ)	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Justice (MoJ)	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Local Government	2021/2022	Appropriation Accounts	1	Certified	1		
Tax Administration Jamaica	2021/2022	Appropriation Accounts	1	Certified	1		
Tax Administration Jamaica	2020/2021	Appropriation Accounts	1	Certified	1		
Ministry of Transport & Mining	2020/2021	Appropriation Accounts	1	Completed			1
Ministry of Economic Growth & Job Creation (MEGJC)	2019/2020	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2020/2021	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2019/2020	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2018/2019	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2021/2022	Appropriation Accounts	1	Certified	1		
Office of the Prime Minister (OPM)	2015/2016	Appropriation Accounts	1	Certified	1		
Companies Office of Jamaica	2016/2017	Appropriation Accounts	1	Certified	1		
Ministry of National Security (MNS)	2020/2021	Appropriation Accounts	1	Completed- awaiting resubmission			1
Ministry of National Security (MNS)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of National Security (MNS)	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of National Security (MNS)	2021/2022	Appropriation Accounts	1	WIP		1	
Administrator General's Department	2022/2023	Appropriation Accounts	1	WIP		1	
Passport Immigration & Citizenship Agency (PICA)	2015/2016	Appropriation Accounts	1	Not Started			

APPROPRIATION ACCOUNTS							
Name of Client	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Office of the Children's Advocate (OCA)	2021/2022	Appropriation Accounts	1	Not Started			
Office of the Children's Advocate (OCA)	2022/2023	Appropriation Accounts	1	Not Started			
Registrar General's Department	2021/2022	Appropriation Accounts	1	returned to client			
Ministry of Agriculture, Fisheries & Mining (MAFM)	2021/2022	Appropriation Accounts	1	Completed			1
Ministry of Agriculture, Fisheries & Mining (MAFM)	2021/2022	Appropriation Accounts	1	Completed			1
Ministry of Transport	2021/2022	Appropriation Accounts	1	In-house not started			
National Environmental Planning Agency (NEPA)	2020/2021	Appropriation Accounts	1	WIP		1	
National Environmental Planning Agency (NEPA)	2021/2022	Appropriation Accounts	1	WIP		1	
Office of the Services Commission (OSC)	2016/2017	Appropriation Accounts	1	Completed-returned to client			1
Office of the Services Commission (OSC)	2020/2021	Appropriation Accounts	1	Completed-returned to client			1
Office of the Services Commission (OSC)	2017/2018	Appropriation Accounts	1	Certified	1		
Office of the Services Commission (OSC)	2018/2019	Appropriation Accounts	1	Completed-returned to client			1
Ministry of Labour & Social Security (MLSS)- Recurrent	2013/2014	Appropriation Accounts	1	Certified	1		
Ministry of Labour & Social Security (MLSS) - Capital	2014/2015	Appropriation Accounts	1	Completed			1
Ministry of Labour & Social Security (MLSS) - Capital	2015/2016	Appropriation Accounts	1	Completed			1
Ministry of Labour & Social Security (MLSS) - Capital	2016/2017	Appropriation Accounts	1	Completed			1
Ministry of Labour & Social Security (MLSS) - Capital	2017/2018	Appropriation Accounts	1	Completed			1
Ministry of Labour & Social Security (MLSS) - Capital	2018/2019	Appropriation Accounts	1	Completed			1
Ministry of Labour & Social Security (MLSS)	2019/2020	Appropriation Accounts	1	WIP		1	
Tax Administration Jamaica (TAJ)	2022/2023	Appropriation Accounts	1	Certified	1		
Accountant General's Department (AGD)	2016/2017	Appropriation Accounts	1	WIP		1	

APPROPRIATION ACCOUNTS							
Name of Client	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Ministry of Finance & The Public Service (MoFPS)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Finance & The Public Service (MoFPS)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Finance & The Public Service (MoFPS)	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Finance & The Public Service (MoFPS)	2021/2022	Appropriation Accounts	1	WIP		1	
Jamaica Information Service (JIS)	2022/2023	Appropriation Accounts	1	WIP		1	
Jamaica Information Service (JIS)	2021/2022	Appropriation Accounts	1	Certified	1		
Companies Office of Jamaica (CoJ)	2021/2022	Appropriation Accounts	1	Completed-returned to client			1
Management Institute for National Development (MIND)	2023/2024	Appropriation Accounts	1	WIP		1	
Ministry of Local Government	2022/2023	Appropriation Accounts	1	WIP		1	
Ministry of Local Government	2022/2023	Appropriation Accounts	1	WIP		1	
Ministry of Local Government	2023/2024	Appropriation Accounts	1	WIP		1	
Ministry of Local Government	2023/2024	Appropriation Accounts	1	WIP		1	
INDECOM	2022/2023	Appropriation Accounts	1	Certified	1		
Government Chemist	2020/2021	Appropriation Accounts	1	WIP		1	
Government Chemist	2021/2022	Appropriation Accounts	1	WIP		1	
Government Chemist	2022/2023	Appropriation Accounts	1	WIP		1	
Ministry of Culture, Gender, Entertainment & Sport (MCGES)	2021/2022	Appropriation Accounts	1	WIP		1	
Ministry of Foreign Affairs & Foreign Trade(MFAFT)	2019/2020	Appropriation Accounts	1	WIP		1	
Ministry of Foreign Affairs & Foreign Trade(MFAFT)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Tourism (MoT)	2020/2021	Appropriation Accounts	1	WIP		1	
Ministry of Tourism (MoT)	2021/2022	Appropriation Accounts	1	WIP		1	
Major Organised Crime and Anti-Corruption Agency (MOCA)	2022/2023	Appropriation Accounts	1	WIP		1	
Department Correctional Services (DCS)	2016/2017	Appropriation Accounts	1	WIP		1	
Department Correctional Services (DCS)	2018/2019	Appropriation Accounts	1	WIP		1	
Police Department	2018/2019	Appropriation Accounts	1	WIP		1	

APPROPRIATION ACCOUNTS							
Name of Client	Years	Type of Audit	# of Statements	Current Status	Certified	Audits in Progress	Pending
Police Department	2019/2020	Appropriation Accounts	1	WIP		1	
Total			88		25	47	16