AUDIT OF THE FINANCIAL STATEMENTS OF THE PUBLIC/ POLICE SERVICE COMMISSION

FOR THE YEAR ENDED
31 DECEMBER 2018

AUDITORS: THE AUDIT OFFICE OF GUYANA
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

AUDIT OF THE FINANCIAL STATEMENTS OF THE PUBLIC/ POLICE SERVICE COMMISSION FOR THE YEAR ENDED 31 DECEMBER 2018

TABLE OF CONTENTS

Audit Office of Guyana
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106/PSC: 2/2020

10 March 2020

Ms. Marvalyn Stephens
Secretary
Public/ Police Service Commission
De Winkle Building
Fort Street, Kingston
Georgetown.

Dear Miss Stephens,

AUDIT OF THE FINANCIAL STATEMENTS OF THE PUBLIC/ POLICE SERVICE COMMISSION FOR THE YEAR ENDED 31 DECEMBER 2018.

I wish to inform you that the audit of the above-mentioned entity has been completed. Accordingly, I am pleased to forward two (2) copies of the audited financial statements, together with the Report of the Auditor General and Management Letter thereon.

Should you need any clarification or explanations, please do not hesitate to let us know.

With kind regards,

Yours sincerely,

AUDIT OFFICE * * OF GUYANA

Ms. H. Rajkumar
Audit Manager (ag)
for Auditor General

c.c. Michael B. Joseph
Finance Secretary
Ministry of Finance

c.c. Ms. Jennifer Chapman
Accountant General
Accountant General Department

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AG:17/2020 10 March 2020

REPORT OF THE AUDITOR GENERAL TO THE PUBLIC/ POLICE SERVICE COMMISSION ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

Opinion

I have audited the financial statements of the Public/ Police Service Commission, which comprise the statement of financial position as at 31 December 2018, statement of receipts and payments for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Public/ Police Service Commission as at 31 December 2018, and its financial performance for the year then ended in accordance with Generally Accepted Accounting Principles (GAAPs).

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC), the International Standards of Supreme Audit Institutions (ISSAIs) and the Audit Act 2004. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Commission in accordance with the ethical requirements that are relevant to my audit of the financial statements in Guyana, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAPs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of my audit in accordance with ISAs and ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

AUDIT OFFICE
GUYANA

D. SHARMA
AUDITOR GENERAL

AUDIT OFFICE
63 HIGH STREET
KINGSTON
GEORGETOWN
GUYANA

PUBLIC/POLICE SERVICE COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2018

		G$	G$
ASSETS	**NOTES**	**Jan- Dec, 2018**	**Jan-Dec 2017**
NON CURRENT ASSETS			
Property, Plant & Equipment	3	28,915,318	25,920,597
CURRENT ASSETS			
Cash and cash equivalents		0	0
TOTAL ASSETS		**28,915,318**	**25,920,597**
EQUITY AND LIABILITIES			
EQUITY			
Government's Contribution	3	28,915,318	25,920,597
LIABILITIES			
Current Liabilities		0	0
TOTAL EQUITY AND LIABILITIES		**28,915,318**	**25,920,597**

The notes forms an integral part of the financial statement

Natasha Hackett
Chief Accountant
Public/Police Service Commission

Ms. Marvalyn Stephens
Secretary
Public/Police Service Commission

SECRETARY
PUBLIC POLICE SERVICE COMMISSION

PUBLIC/POLICE SERVICE COMMISSION
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2018

		G $	G $
RECEIPTS	**NOTES**	**Jan- Dec, 2018**	**Jan – Dec, 2017**
Government Subvention	4	95,140,000	91,603,000
Refund	13	26,389	0
TOTAL RECEIPTS		95,166,389	91,603,000
PAYMENTS			
Employment Cost	5	68,634,410	60,925,320
Goods & Services	6	17,059,125	16,638,977
Maintenance Works	7	3,412,671	845,685
Utilities	8	2,618,009	6,626,957
Fuel	9	224,808	219,650
Training	10	63,000	450,200
Capital Expenditure	11	2,994,721	4,225,204
Returns to Consolidated Fund	12	133,256	1,671,007
Refund as revenue		26,389	0
Total		95,166,389	91,603,000
Funds to be reimbursed		0	0

Notes to the Financial Statement
for the year ended 31 December, 2018

1. Background

The Public/Police Service Commission was granted the status of a Constitutional entity effective from 1September, 2015 under the following agency details:

Constitutional Entity: Public/Police Service Commission

Programme: 091- Public/Police Service Commission

Chart of Account: 6323- Constitutional Agencies

The Public/Police Service Commission is responsible for appointments of all Public Officers and ranks of the Guyana Police Force from Inspector and above, also to remove and discipline such employees. The Commission is governed by ACT NO. 4 OF 2015 – Fiscal Management and accountability (amendment) act 2015.

2. Significant Accounting Policies

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

a) Basis of preparation and accounting policies

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical cost convention. This method of accounting emphasizes that the accounts are intended to record, analyse and present impact of transactions that have already occurred.

b) Income and Expenditure

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

Notes to the Financial Statement
for the year ended 31 December, 2018

3. ASSETS

Property, Plant and Equipment
The amount represents furniture and equipment acquired over the years.

	$	$	$	$	$
Particulars	**Motor Vehicles**	**Equipment**	**Office Furniture**	**Other**	**Total**
1 January,2018	2,100,000	10,695,889	12,641,808	482,900	25,920,597
Additions	0	1,278,376	1,716,345	0	2,994,721
31 December	**2,100,000**	**11,974,265**	**14,358,153**	**482,900**	**28,915,318**

		G$ Jan- Dec, 2018	G$ Jan- Dec, 2017
4	**RECEIPTS** **Government Subvention**		
	Current	92,140,000	87,377,000
	Capital	3,000,000	4,226,000
	Total	**95,140,000**	**91,603,000**

5	**PAYMENTS** **Employment Cost**		
	Statutory Wages & Salaries	7,775,860	13,278,838
	Statutory Benefits and Allowances	58,160	2,418,321
	Wages and Salaries	49,300,086	37,148,477
	Overhead Expenses	11,500,304	8,079,684
	Total	**68,634,410**	**60,925,320**

Notes to the Financial Statement
for the year ended 31 December, 2018

	G$	G$
Goods and Services	**Jan – Dec 2018**	**Jan – Dec, 2017**
Material, Equipment & Supplies	3,823,306	5,141,531
Janitorial & Cleaning Supplies	1,167,941	1,051,812
Local Travelling and Postage	175,022	203,393
Security	1,090,474	983,704
Cleaning & Extermination Service	1,210,540	443,211
Refreshment & Meals	1,597,944	4,180,655
Other Expenses	5,312,584	4,237,003
Vehicle spares & Maintenance	183,181	397,668
National & Other Events	2,498,133	0
Total	**17,059,125**	**16,638,977**

Maintenance Works		
Maintenance of Building	2,487,794	58,693
Equipment Maintenance	924,877	786,992
Total	**3,412,671**	**845,685**

Utilities		
Telephone	1,187,477	2,276,116
Electricity	1,430,532	4,350,841
Total	**2,618,009**	**6,626,957**

Notes to the Financial Statement
For the year ended 31 December, 2018

		G$	G $
		Jan – Dec 2018	**Jan – Dec, 2017**
9.	**Fuel**		
	Fuel & Lubricant	224,808	219,650
	Total	**224,808**	**219,650**
10.	**Training**		
	Training	63,000	450,200
	Total	**63,000**	**450,200**
11.	**Capital**		
	Capital	2,994,721	4,225,204
	Total	**2,994,721**	**4,225,204**
12.	**Return to Consolidated Fund**		
	Current	127,977	1,670,211
	Capital	5,279	796
	Refund as Revenue	26,389	0
	Total	**159,645**	**1,671,007**

13. **Refund**

Revenue was refunded for overpayment of salary, duty allowance and NIS.

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16/PSC: 2/2020 10 March 2020

Ms. Marvalyn Stephens
Secretary
Public/Police Service Commission
De Winkle Building
Fort Street, Kingston
Georgetown.

Dear Ms. Stephens,

AUDIT OF THE FINANCIAL STATEMENTS OF THE PUBLIC/POLICE SERVICE COMMISSION FOR THE YEAR ENDED 31 DECEMBER 2018

The audit of the financial statements of Public/ Police Service Commission for the year ended 31 December 2018 has been completed. The findings hereunder arising out of the audit are now forwarded to you for appropriate action.

2. The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and the International Standards on Auditing (ISAs) issued by the International Federation of Accountants (IFAC) and the Audit Act 2004. These standards require that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free of material misstatements.

3. The main purpose of the audit was to express an opinion on the financial statements and to evaluate the operations of the Commission to ascertain whether:

(a) The financial statements have been properly prepared, in accordance with applicable laws, and properly present the operations and affairs of the Commission.

(b) The accounts were faithfully and properly kept.

(c) The rules, procedures and internal management controls were sufficient to secure effective control on the assessment, collection, and proper allocation of revenue.

(d) All monies expended and charged to the accounts were applied to the purpose or purposes for which they were intended.

(e) Essential records were maintained, and the internal management controls, rules and procedures established and applied were sufficient to safeguard the control of stores and other property.

Finding

4. I have examined the statement of financial position, statement of receipts and payments together with the relevant records and supporting documents and found that there were no significant matters that should be reported.

General

5. The Audit Office wishes to express its gratitude for the co-operation given to its officers during the course of the audit.

With best regards.

Yours sincerely,

AUDIT OFFICE GUYANA

Ms. H. Rajkumar
Audit Manager (ag.)
For Auditor General

c.c. Michael B. Joseph
Finance Secretary
Ministry of Finance

c.c. Ms. Jennifer Chapman
Accountant General
Accountant General Department