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

**FOR THE YEAR ENDED
31 DECEMBER 2020**

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 2020

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Audit Office of Guyana
P.O. Box 1002, 63 High Street, Kingston, Georgetown, Guyana
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14 April 2022

151/P/PSC/2022

Mr. Jaigobin Jaisingh
Secretary
Public/Police Service Commission
De Winkle Building
Fort Street
Kingston
Georgetown.

Dear Mr. Jaisingh,

AUDIT OF THE FINANCIAL STATEMENTS OF THE PUBLIC/POLICE SERVICE COMMISSION FOR THE YEAR ENDED 31 DECEMBER 2020.

I wish to inform you that the audit of the above-mentioned entity for the year ended 31 December 2020 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 clarifications or explanations, please do not hesitate to let us know.

With best regards.

Yours sincerely,

AUDIT OFFICE GUYANA

Chandrawattie Samaroo (Mrs.)
Audit Manager
For Auditor General

Copy: Mr. S. Pasha,
Finance Secretary, Ministry of Finance

Ms. J. Chapman,
Accountant General, Ministry of Finance

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1/2022 14 April 2022

REPORT OF THE AUDITOR GENERAL
TO THE PUBLIC/ POLICE SERVICE COMMISSION
ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ion

e audited the financial statements of the Public/Police Service Commission, which comprise Statement of Financial Position as at 31 December 2020, Statement of Receipts and nents for the year then ended and notes to the financial statements, including a summary of ificant accounting policies and other explanatory information.

ny opinion, the financial statements present fairly, in all material respects, the financial tion of the Public/Police Service Commission as at 31 December 2020, and its financial ormance for the year then ended in accordance with Generally Accepted Accounting iciples (GAAPs).

is for Opinion

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

sponsibilities of Management and those Charged with Governance for the Financial tements

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

ose charged with governance are responsible for overseeing the Commission's financial porting process.

or's Responsibilities for the Audit of the Financial Statements

bjectives are to obtain reasonable assurance about whether the financial statements as a : are free from material misstatement, whether due to fraud or error, and to issue an or's report that includes my opinion. Reasonable assurance is a high level of assurance, but a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect erial misstatement when it exists. Misstatements can arise from fraud or error and are dered material if, individually or in the aggregate, they could reasonably be expected to nce the economic decisions of users taken on the basis of these financial statements.

rt of my audit in accordance with ISAs and ISSAIs, I exercise professional judgment and ain 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.

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

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PUBLIC/POLICE SERVICE COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER, 2020

		G$	G$
TS	**NOTES**	**2020**	**2019**
CURRENT ASSETS			
rty, Plant & Equipment	**3**	45,981,225	40,515,309
RENT ASSETS			
and cash equivalent		0	0
AL ASSETS		**45,981,225**	**40,515,309**
ITY AND LIABILITIES			
ITY			
nment's Contribution	**3**	45,981,225	40,515,309
L EQUITY AND BILITIES		**45,981,225**	**40,515,309**

inancial Statements were approved for issuance on .13 April, 2022

ha Hackett	**Mr. Jaigobin Jaisingh**
Accountant	**Secretary**
c/Police Service Commission	**Public/Police Service Commission**

ccompanying notes forms an integral part of the financial statements

PUBLIC/POLICE SERVICE COMMISSION
STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2020

		G $	G $
EIPTS	NOTES	2020	2019
nment Subvention	4	150,636,000	146,317,000
off cash grant	4	1,425,000	0
off cash grant	4	25,000	0
d	13	10,341	1,489
AL RECEIPTS		152,096,341	146,318,489
MENTS			
oyment Cost	5	96,176,012	89,243,516
of cash grant	4	1,450,000	0
ls & Services	6	21,297,961	30,626,785
tenance Works	7	5,184,501	2,082,005
ies	8	5,626,036	7,448,759
	9	787,202	464,134
ing	10	580,800	632,200
tal Expenditure	11	5,465,916	11,599,991
ent balance	12	15,517,572	4,219,610
nd to revenue	13	10,341	1,489
l		152,096,341	146,318,489
ls to be reimbursed		0	0

accompanying notes forms an integral part of the financial statements

Notes to the Financial Statement
for the year ended 31 December, 2020

Identification

The Public/Police Service Commission was granted the status of a Budget Agency effective 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

Establishment and Principal Activities of the Public/Police Service Commission

The **Public Service Commission** is a Constitutional Body, established under Article 135 (I) and was given the authority under Article 200(1) of the Constitution of the Co-operative Republic of Guyana to make appointments to public officers and to remove and exercise discipline control over persons holding or acting in such offices. The procedures adopted by the Commission in its' considerations are set out in the Public Service Commission Rules

The **Police Service Commission** is a Constitutional Body, established under Article 137 (1) and was given the authority under Article 212(1) subject to the provisions of Article 211 (1) of the Constitution of the Co-operative Republic of Guyana to make appointments to any offices in the Police Force of or above the rank of Inspector, and exercise disciplinary control over and to remove persons holding or acting in such offices. The procedures adopted by the Commission in its' considerations are set out in Chapter 16:01 The Police Act. and Chapter 17:01 The Police Discipline Act.

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.

SSETS

perty, Plant and Equipment

amount represents furniture and equipment acquired over the years.

	$	$	$	$	$
ticulars	Motor Vehicles	Equipment	Office Furniture	Other	Total
nuary,2020	11,848,978	12,686,723	15,496,708	482,900	40,515,309
itions	0	3,177,533	2,288,383	0	5,465,916
December	11,848,978	15,864,256	17,785,091	482,900	45,981,225

RECEIPTS **Government Subvention**	**G$** **2020**	**G$** **2019**
Current	145,137,000	134,717,000
Capital	5,499,000	11,600,000
One- off cash grant	1,425,000	0
One- off cash grant	25,000	0
Total	152,086,000	146,317,000

PAYMENTS

Employment Cost

Statutory Wages & Salaries	19,264,784	21,310,535
Statutory Benefits and Allowances	1,836,106	1,670,150
Wages and Salaries	60,983,698	53,352,998

Overhead Expenses	14,091,424	12,909,998
One of cash grant	1,450,000	0
Total	**97,626,012**	**89,243,516**

	G$	G$
Goods and Services	**2020**	**2019**
Material, & Supplies	5,418,933	12,981,906
Janitorial & Cleaning Supplies	2,693,891	1,944,439
Local Travelling and Postage	879,756	195,019
Security	758,100	760,550
Cleaning & Extermination Service	2,406,010	1,550,261
Refreshment & Meals	2,551,067	3,452,035
Other Expenses	3,604,181	4,788,861
Vehicle spares & Maintenance	1,660,595	971,549
National & Other Events	1,325,428	3,982,165
Total	**21,297,961**	**30,626,785**
Maintenance Works		
Maintenance of Building	3,866,938	882,890
Equipment Maintenance	1,317,563	1,199,115
Total	**5,184,501**	**2,082,005**
Utilities		
Telephone	2,145,844	2,094,037
Electricity	3,480,192	5,354,722
Total	**5,626,036**	**7,448,759**

	G$ 2020	G $ 2019
Fuel		
Fuel & Lubricant	787,202	464,134
Total	**787,202**	**464,134**
Training		
Training	580,800	632,200
Total	**580,800**	**632,200**
. **Capital**		
Capital	5,465,916	11,599,991
Total	**5,465,916**	**11,599,991**
2. Unspent balances		
Current	15,484,488	4,219,601
Capital	33,084	9
	15,517,572	**4,219,610**
. **Refund to Revenue**		
Current	3,341	1,489
Capital	7,000	0
Total	**10,341**	**1489**

und to revenue in 2020 represents Cash received from Supplier due to change in price for ds.

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53/PSC: 2/2022

14 April 2022

Mr. Jaigobin Jaisingh
Secretary
Public & Police Service Commission
Fort Street, Kingston
Georgetown.

Dear Mr. Jaisingh,

AUDIT OF THE FINANCIAL STATEMENTS OF THE
PUBLIC/POLICE SERVICE COMMISSION
FOR THE YEAR ENDED 31 DECEMBER 2020

The audit of the financial statements of Public/Police Service Commission for the year ended 31 December 2020 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 a procedures established and applied were sufficient to safeguard the control of stores a other property.

Statement of receipts and Payments

Payments $131,102,512

Missing Vouchers

4. An examination of payment vouchers and other related documentation revealed th twenty-four (24) payment vouchers totalling $2.2980M in relation to payments for curre expenditure were not submitted for audit. In the circumstances, we could not ascertain th completeness, accuracy and validity of these transactions. See Appendix for details.

Commission's response: The Secretary explained that these payment vouchers are usually stor at the Accountant General's Department, Ministry of Finance and as such the Commission cou not retrieve the payment vouchers themselves.

Recommendation: The Audit Office recommends that the Commission engage the Accountant General to collect and store the payment vouchers after the close of the year so that they are readily available for audit scrutiny.

General

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

With best regards.

Yours sincerely,

Chandrawattie Samaroo
Audit Manager
For Auditor General

Copy: Mr. S. Pasha
Finance Secretary
Ministry of Finance

Ms. J. Chapman
Accountant General
Ministry of Finance