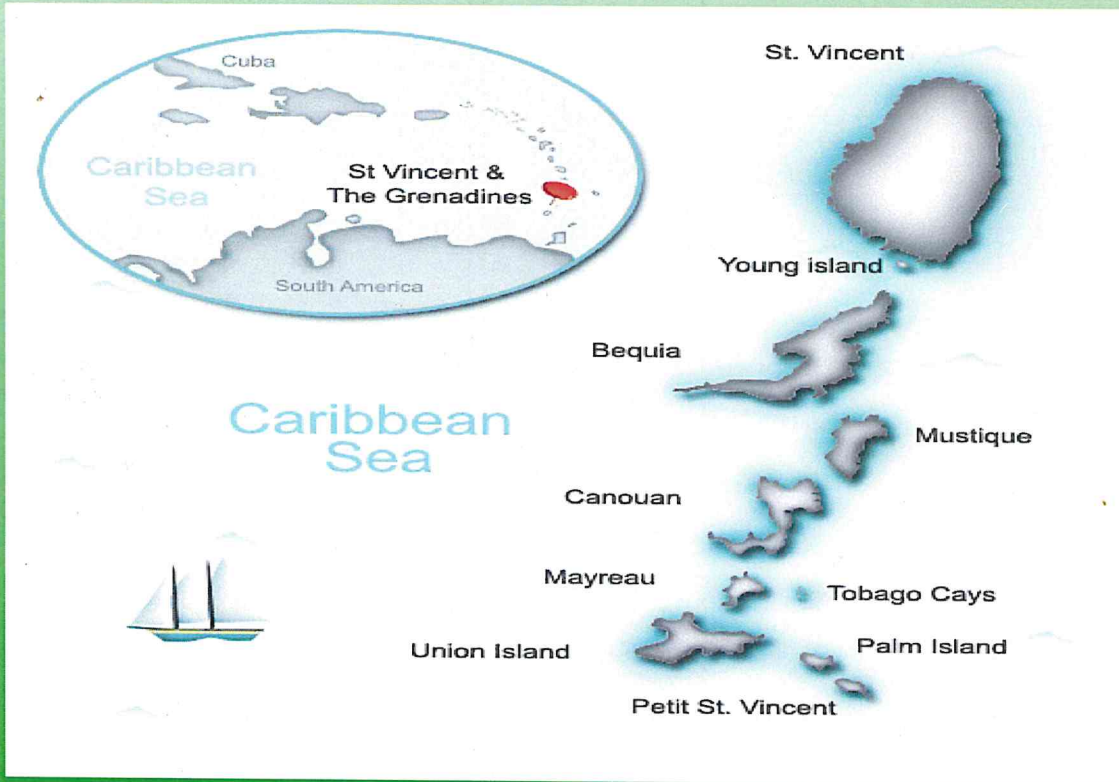




REPORT OF THE

DIRECTOR OF AUDIT

St. Vincent and the Grenadines



PUBLIC ACCOUNTS 2011



To The Honourable Minister of Finance

Sir,

Pursuant to Sec 12 (2) of the SVG Constitution 1979, I have the honour to submit my report on the results of the examination of the Public Accounts for the year ended December 31, 2011 for tabling in the House of Assembly.

A handwritten signature in blue ink, appearing to read 'D Sealey', written over a horizontal line.

Ms. Dahalia Sealey

DIRECTOR OF AUDIT

8th December, 2017



MISSION

To promote accountability, transparency and improvement of all Government Departments and Entities and to ascertain that all funds appropriated by Parliament are applied to the purposes intended.

VISION

An independent, professional, and respected supreme audit institution conducting innovative and efficient audits to advance transparency and accountability in government operations.

AUDIT CERTIFICATE

I have examined the Public Accounts of St. Vincent and the Grenadines for the financial year ended 2011, in accordance with the provision of Section 75 (2) of the Constitution of St. Vincent and the Grenadines and the Audit Act 2005.

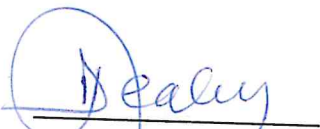
The Accountant General is responsible for the preparation of the Financial Statements and for ensuring the regularity of financial transactions. My responsibility is to express an opinion on the Public Accounts based on the audits carried out by my Office.

The audit was guided by the International Standards for Supreme Audit Institutions (ISSAI) issued by the International Organization of Supreme Audit Institution (INTOSAI) which require that I plan and perform the audit to obtain reasonable assurance as to whether the Financial Statements are free from material misstatements.

The audit procedures involved examination on a test basis of evidence supporting the amounts and other disclosures on the accounts and the evaluation of accounting policies and estimates. These procedures have been undertaken to form an opinion whether in all material respect, the Financial Statements so presented are in agreement with the Treasury accounts.

I believe that the audit evidence that I have obtained is sufficient and appropriate to provide a basis for my opinion.

Except for my concerns raised in this report, I am of the opinion that the Financial Statements presents a true and fair view of the financial transactions processed in the Treasury accounts.



Ms. Dahalia Sealey

DIRECTOR OF AUDIT

AUDIT OFFICE

ST. VINCENT AND THE GRENADINES

8th December, 2017

Table of Contents

Chapter 1

Page

INTRODUCTION

- Audit Mandate.....2
- Scope of Audit.....3
- General Issues.....6

Chapter 2

FINANCIAL STATEMENTS

- Statement of Detailed Revenue13
- Statement of Detailed Expenditure.....24
- Statement of Annual Abstract34
- Statement of Advances.....43
- Statement of General Deposits.....46
- Statement of Investments.....48
- Statement of Public Debt.....51
- Statement of Assets and Liabilities.....58

Chapter 3

MINISTRIES AND DEPARTMENTS

- **AUTONOMOUS DEPARTMENTS**
 - Family Court.....62
 - Magistracy.....62
 - Service Commissions.....63
- **OFFICE OF THE PRIME MINISTER**
 - Government Printery.....63

- **MINISTRY OF NATIONAL RECONCILIATION**
- **MINISTRY OF FINANCE AND PLANNING**
 - Customs and Excise.....64
 - Inland Revenue Department65
- **MINISTRY OF NATIONAL SECURITY**
 - ET Joshua Airport.....65
 - Police.....65
 - Grenadines Administration.....66
- **MINISTRY OF TRANSPORT AND WORKS**
- **MINISTRY OF HEALTH AND THE ENVIRONMENT**
- **MINISTRY OF FOREIGN AFFAIRS**
 - Trade.....68
 - Overseas Offices.....69

Chapter 4

OTHER AUDITS

- Kingstown Town Board.....71
- Financial Intelligence Unit.....73

APPENDICES

- Outstanding Audit Queries.....I
- Arrears of Revenue Returns.....II
- Statement of Losses.....III
- Statement of Authorities for Expenditure.....IV
- Financial Statements.....V



*Report of the Director of Audit on the Public Accounts of
St. Vincent and the Grenadines for the Period
1st January 2011 to 31st December 2011*

INTRODUCTION

- 1.1 The Director of Audit is the constitutionally appointed auditor of all Government departments, authorities of Government, courts of law, and other offices and commissions established by the Constitution of St. Vincent and the Grenadines.
- 1.2 This Report summarises the findings and conclusions of the audit of the Public Accounts for the year ending December 31, 2011. The main purpose of the audit is to obtain the necessary information for the issuing of an opinion on the accounts and to provide Parliament with the assurance that the funds appropriated by Parliament have been applied to the purposes intended.
- 1.3 I have examined the accounts of the Ministries and Departments of the Government of Saint Vincent and the Grenadines and the Financial Statements of the Accountant General for the year ended December 31, 2011 in accordance with Section 75 (4) of the Constitution of St. Vincent and the Grenadines, (CAP 10) the Finance Administration Act 2004, (CAP 252) and the Audit Act 2005 (CAP 245) of the Laws of St. Vincent and the Grenadines, (Revised Edition, 2009).



- 1.4 This Report is prepared for laying in the House of Assembly pursuant to Section 75 (4) of the schedule to the Constitution of St. Vincent and the Grenadines, (CAP 10) of the Laws of St. Vincent and the Grenadines, (Revised Edition 2009).
- 1.5 The Reports on the accounts for the years ended December 31, 2009 and December 31, 2010 were tabled in the House of Assembly on 2nd April 2014.

AUDIT MANDATE

- 1.6 Section 75 subsection 2 of the Constitution of St. Vincent and the Grenadines (CAP 10) Laws of Saint Vincent and the Grenadines (Revised Edition 2009), requires the Director of Audit, at least once in every year to audit and report on the Public Accounts of St. Vincent and the Grenadines, the accounts of all courts of law in St. Vincent and the Grenadines, the accounts of every commission and the accounts of the Clerk of the House. The Finance Administration Act (CAP 252) sets out the accounts and statements which the Accountant General is required to submit to the Director of Audit and the time frame within which the accounts are to be submitted.
- 1.7 The Director of Audit is authorised to have access to all books, records, returns, reports and other documents, which, in *her* opinion, relate to any of the accounts referred to in Section 75 (2) of the Constitution of St. Vincent and the Grenadines, and section 19 of the Audit Act 2009. The Director of Audit is the independent auditor of the Government, acting on behalf of the taxpayer, through Parliament and it is on *her* investigation that Parliament has to rely for assurance about the fairness and regularity of the Public Accounts. The Constitution sets out to address the independence of the Director of Audit in Section 75 (7) which states; "*in the*



exercise of her functions under subsection 2, 3, 4 and 5, the Director of Audit shall not be subject to the direction or control of any other person or authority."

SCOPE OF AUDIT

1.8 The preparation of the Financial Statements is the responsibility of the Accountant General, the Government's Chief Accounting Officer. It is the responsibility of the Director of Audit to form an independent opinion on the Public Accounts based on the audits carried out by her Office.

1.9 The audits were conducted in accordance with Section 75 of the Constitution of St. Vincent and the Grenadines, (CAP 10), Section 10 of the Finance Administration Act 2004 and the Audit Act 2005 (CAP 245). An audit does not absolve the Accounting Officers of their responsibility to ensure that adequate internal controls are in place in their Ministry or Department to safeguard the assets and other resources against fraud and irregularities. They must ensure that the Financial and other Regulations are complied with.

1.10 The audits were not designed to disclose every error in the accounts but to ascertain whether the accounts were kept using acceptable systems, were punctually and properly posted, that checks against irregularities and fraud were adequate and effective to give reasonable assurance that the financial statements are free of material misstatements. The Audit Report covers only matters which have been examined by the Audit Office. It does not draw conclusions upon matters that were not examined.

1.11 The Financial Statements prepared and submitted by the Accountant General for the year ended December 31, 2011 can be found at the end of the report.

**PROGRAMME OF WORK****Budget**

- 1.12 The approved budget for the St Vincent and the Grenadines Audit Office in 2011 was \$1,421,416.00. The budget reflected a decrease of \$151,851.00 or 9.65 % from the 2010 budget. The actual expenditure for 2011 was \$1,277,872.00.

Staffing

- 1.13 The posts of Deputy Director of Audit and Senior Audit Officer II remained vacant during the year and as was expected impacted significantly on the work output.

Training

- 1.14 Two (2) Officers were exposed to a one (1) month training in Performance Audit offered by the Indian Technical and Economic Cooperation (ITEC) in India; and one (1) Officer attended a one (1) week training in Barbados on Evidence Gathering Techniques, sponsored by the Canadian Comprehensive Auditing Foundation (CCAF-FCVI).

Work Activities

- 1.15 Compliance Audits were carried out at various Ministries and Departments, in St. Vincent and the Grenadines Offices and the Overseas Offices. Several Surprise Cash Surveys were conducted throughout the Island. Queries and Audit Reports on the audit findings were issued to the respective Accounting Officers and Heads of Departments.



1.16 Personal files were submitted to the Audit Office for the verification of leave eligibility, pension and gratuity benefits. The verification of pension and gratuity benefits is the only activity of a pre-audit nature that is undertaken by the Office.

Acknowledgement

1.17 I wish to take this opportunity and to express thanks to the Accountant General's Department, other Accounting Officers and their staff for their co-operation and courtesies extended to us. I wish to also express my appreciation to my staff for their contribution and support, despite the many challenges we may have faced. This report would not have been possible without their efforts.

PUBLIC ACCOUNTS COMMITTEE

1.18 Section (76) of the Constitution of St. Vincent and the Grenadines provides for the appointment of a Public Accounts Committee from among members of the House of assembly and sets out its duties. The Public Accounts Committee 2011 was appointed on December 29, 2011.



GENERAL ISSUE

NON- COMPLIANCE

1.19 As highlighted in previous reports there are several systems and procedures which have not been maintained by the relevant Accounting Officers. The following are examples:-

Arrears of Revenue

1.20 No annual returns of arrears of revenue or monthly reports of recovery of arrears of revenue were submitted by the Heads of Departments who are responsible for the collection of revenue as required by Regulation 99 - Finance Regulation 2009. This is an area that needs urgent attention as Government should be in a position to know the outstanding arrears. The Accountant General should take actions to ensure that Annual Returns and Reports are received.

Half –yearly Return of Receipt Books

1.21 Half-yearly Returns of Receipt Books have not been submitted by revenue collecting departments as required by Regulation 47 - Finance Regulation 2009. The Accountant General must insist that these returns are provided as required by the regulation.

Stores Tabular Summary

1.22 No Stores Tabular Summary has been submitted for the Public Works Department Unallocated Stores as required by the Store Rule 91.

Motor Vehicle Log Books and Garage Register

1.23 Vehicle Log Books and Garage Registers are intended to capture data that can be used to assess the economy and efficiency of the vehicles operated by the various Ministries and Departments. The proper maintenance of the records can also aid in the control of the use of



the vehicles and further reduce the incidence of misuse of the asset. Several of the Ministries and Departments have ignored the use of these records.

Equipment Ledger and Inventories

The Store Rules No's 48-51 set out the format and the process of accounting for Equipment and Furniture. These records are very important for the accounting of assets which, in some instances are costly. In the absence of these vital records it is impossible to ascertain that all of the assets that were purchased for use in the Ministry or Department are still at hand. In spite of numerous queries and reports, the Accounting Officers in many Ministries continue to flout the rules.

Table 1 shows the status of the Equipment Ledger and Inventory at the various Ministries and Departments at the end of the financial year 2011.

MINISTRY/DEPARTMENT	2011
Ministry of Agriculture	Not maintained
Ministry of National Security	Equipment Ledger (not maintained)
Ministry of Education	Not maintained
Ministry of Transport	Not maintained
Ministry of National Mobilisation	Maintained
Ministry of Foreign Affairs	Maintained
Magistrate	Not maintained
Office of Prime Minister	Not maintained
Ministry of Health	Not maintained
Ministry of Housing	Not maintained
Service Commissions Department	Not maintained
Ministry of Tourism	Maintained
Family Court	Not maintained
Magistrates	Not maintained

Table1



IMPRESTS

- 1.26 Section 33(2) of the Financial Administration Act 2004 states that an officer to whom an imprest has been issued shall retire that imprest not later than the end of the financial year in which the imprest was issued or if some earlier date is specified in the imprest warrant or by the Accountant General.
- 1.27 Several Accounting Officers have failed to comply with the requirements of the Act resulting in the under reporting of expenditure by the defaulting Ministries.
- 1.28 I am not aware of any Accounting Officer being held accountable for contravening the aforementioned rule. Section 33 (2), outlines the actions that may be taken in such instances.
- 1.29 Twenty (20) Imprests Accounts remained outstanding at December 31, 2011. Sixteen (16) showed debit balances of \$315,364.55, and four (4) had credit balances totalling \$109,987.92, producing a net debit balance of \$205,381.73.
- 1.30 Table 1.1 shows outstanding Imprests in excess of \$1,000.00 for the year of 2011. **Active Imprests 2011**

Table 1.1

MINISTRY/DEPARTMENT	NO	BALANCE	
		DR	CR
NATIONAL MOBILISATION	2	219,682.96	
MAGISTRATES	1	1,184.03	
TREASURY	1		27,814.63
MINISTRY OF HEALTH	4	64,501.28	
COMMISSIONER OF POLICE: CADET TRAINING CAMP	2	13,929.58	3,217.29
PS/HOUSING/COMP TRAINING	1		45,000.00
PS/FOREIGN AFFAIRS ETC	1		33,950.00
PS/EDUCATION	5	12,777.00	
DIR. OF PLANNING/UNDP TECHNICAL ASST. PROG	1	3000.00	
TOTAL	20	315,364.55	109,982.92

**VIREMENT WARRANTS**

31 One hundred and four (104) Virement Warrants totalling \$2,306,993.33 were approved in respect of the year ended December 31, 2011 as compared with sixty one (61) Virement Warrants in the sum of \$1,967,330.49 in the previous year.

SPECIAL WARRANTS

32 In accordance with Section 28 of the Finance Administration Act 2004, the Minister of Finance may after the Appropriation Act for the financial year has come into force, approve special warrants authorizing the issue from the public fund, such sums which may be required to defray unforeseen expenditure not provided for or not sufficiently provided for in anticipation of approval of the expenditure in a Supplementary Appropriation Act.

33 The Act states that the aggregate of the amounts authorized by special warrants issued under this section in the financial year and not approved in a Supplementary Appropriation Act shall not exceed the amount fixed by resolution of the House of Assembly.

34 The Act further states that a special warrant may be issued so long as the amount in the Contingencies fund does not exceed the amount fixed by resolution of the House of Assembly for the Contingencies Fund during the period under review.

35 I am not aware of any resolution fixed by the House of Assembly for this purpose neither the establishment of any Contingencies Fund during the period under review.

36 Eighty four (84) special warrants totalling \$23,978,216.92 were approved by the Minister of Finance during the financial year 2011. This was approximately two and a half per cent (2.5%) increase of the original budget. A total of \$23,855,151.00 was covered by Supplementary



Appropriation Act No. 16/13, leaving a balance of \$123,065.92 for which no Supplementary Appropriation was passed. It was noted that some special warrants were not needed as expenditure incurred was less than original estimated expenditure.

STATEMENT OF LOSSES

- 1.37 A Statement of Losses due to fraud, theft, overpayment of salaries, and abandonment of post or negligence since the date of last Audit Report is found at Appendix III.
- 1.38 Accounting Officers need to be more vigilant to the issue of abandonment of post. It was noted that some Ministries and Departments are tardy in the reporting of non appearance of employees.

AUDIT QUERIES

- 1.39 Audit Queries are issued to Accounting Officers identifying shortcomings or irregularities detected during the audit examination. Queries provide the Ministries and Departments with an opportunity to clarify the issues raised and not settled during the examination phase.
- 1.40 Some Accounting Officers have not only failed to respond to audit queries but have also failed to take corrective actions therefore the same issues persist perennially and have to be reported upon in the Director of Audit's Report.
- 1.41 Accounting Officers need to respond to audit queries in a timely manner and ensure that systems are implemented to correct shortcomings identified instead of waiting until some fraudulent activity to take place before taking action.
- 1.42 A list of outstanding queries is found at Appendix I.



CHAPTER 2**ANALYSIS OF FINANCIAL STATEMENTS**

1 The Financial Statements of Government were submitted to the Audit Office in accordance with Section 49 (2) of the Financial Administration Act 2004. The Act requires the Accountant General to prepare, certify and submit financial statements to the Director of Audit within four (4) months after the close of the financial year.

2 The following statements were submitted for the financial year ended December 31, 2011.

1. Detailed Statement of Revenue
2. Detailed Statement of Expenditure
3. Annual Abstract
4. Statement of Advances
5. Statement of General Deposits
6. Statement of Investments
7. Statement of Public Debt
8. Statement of Assets and Liabilities

3 There are no notes to the Financial Statements and as such the Statements do not provide adequate information for the proper interpretation of the accounts. In addition, the narrative in the accounts was sometimes insufficient to determine the exact nature of the transactions.



2.4 The draft report on the Financial Statements was submitted to the Accountant General for her review and comments. The responses that were received are included under the relevant paragraphs.



STATEMENT OF DETAILED REVENUE

2.5 The total estimated Revenue for 2011 was \$788,518,289.00. Recurrent Revenue was expected to yield 64% and Capital Revenue 36%.

2.6 A total of \$634,987,618.63 or 81% was realised. Seventy-three per cent (73%) of the realised amount was attributed to Recurrent Revenue and the remainder of twenty seven per cent (27%) to Capital Revenue. For several years the significant shortfalls of Revenue was mainly attributed to Capital.

RECURRENT REVENUE

2.7 According to the Estimates of Revenue and Expenditure, Recurrent Revenue is categorised as follows:

Table 2

TYPE	DESCRIPTION
TAX REVENUE	TAXES ON INCOME AND PROFITS
	TAXES ON PROPERTY
	TAXES ON INTERNATIONAL TRADE AND TRANSACTION
	TAXES ON DOMESTIC GOODS AND TRANSACTIONS
NON-TAX REVENUE	LICENCES
	FEES, FINES AND PERMITS
	INTEREST, RENT AND DIVIDENDS
	OTHER REVENUE



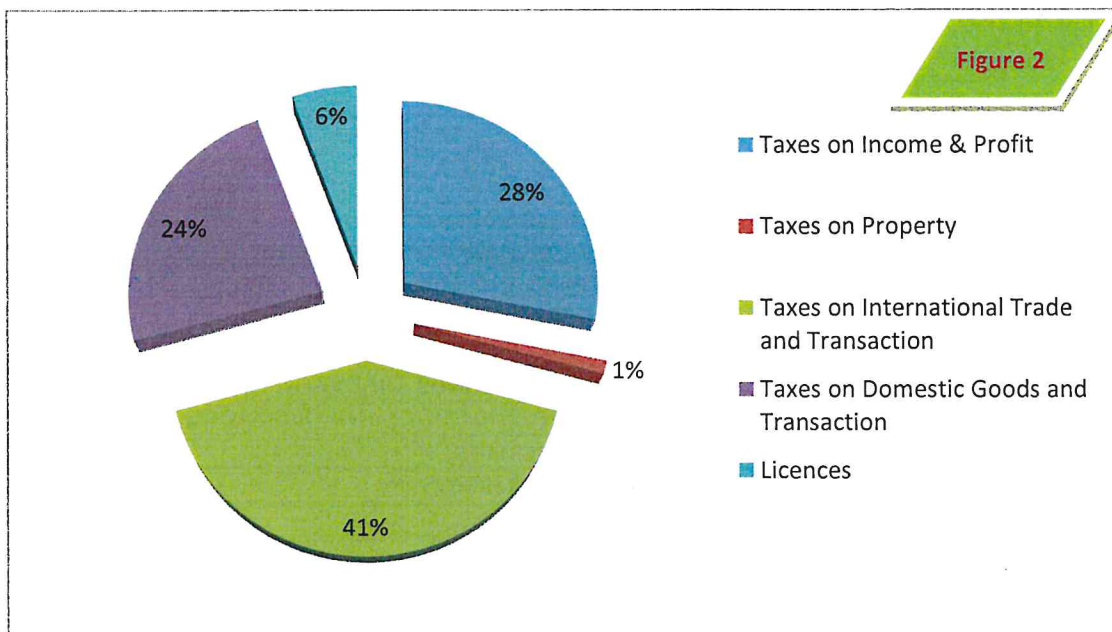
TAX REVENUE

2.8 Tax Revenue contributed 89% of actual recurrent revenue collected in the financial year as shown in Table 2.1 and Figure 2 hereunder:

Table 2.1

TYPE	AMOUNT (\$)	%
Taxes on Income & Profit	114,397,916.72	25%
Taxes on Property	2,814,201.94	1%
Taxes on International Trade and Transaction	172,579,733.44	37%
Taxes on Domestic Goods and Transaction	98,907,148.17	21%
Licences	23,439,480.39	5%
TOTAL	412,138,480.66	89%

Figure 2





2.9 Table 2.2 shows that there was a decline of \$9,334,949.06 in the revenue collected for 2011.

Table 2.2

TYPE	ACTUAL 2011	ACTUAL 2010	VARIANCE
Taxes on Income & Profit	114,397,916.72	108,810,124.07	5,587,792.65
Taxes on Property	2,814,201.94	2,902,018.07	-87,816.13
Taxes on International Trade and Transaction	172,579,733.44	178,428,026.34	-5,848,292.90
Taxes on Domestic Goods and Transaction	98,907,148.17	105,933,091.89	-7,025,943.72
Licenses	23,439,480.39	25,400,169.35	-1,960,688.96
TOTAL	412,138,480.66	421,473,429.72	-9,334,949.06

Taxes on Income and Profit

2.10 Revenue collected for Taxes on Income and Profit fell short of estimated amount of \$117,500,000.00 in 2011 by \$3,102,083.28. Actual collections of Income Tax and Withholding Tax exceeded its estimates by \$2,879,260.12 and \$1,161,734.14 respectively, while there was a shortfall of \$7,143,077.54 in collections for Corporate Tax.

2.11 A comparison of the revenue collections for 2010 and 2011 showed that there was a net decrease of \$5,587,792.65 in revenue recorded for 2011 as shown in Table 2.3.

Table 2.3

ITEM	ACTUAL (2011)	ACTUAL (2010)	EXCESS/SHORTFALL (\$)
Income Tax	67,379,260.12	61,690,124.63	5,689,135.49
Corporate Tax	37,856,922.46	40,026,410.52	-2,169,488.06
Withholding Tax	9,161,734.14	7,093,588.92	2,068,145.22
TOTAL	114,397,916.72	108,810,124.07	5,587,792.65



Taxes on International Trade and Transaction

- 2.12 Actual collections for Taxes on International Trade and Transactions totalled \$172,579,733.44 but fell short of its estimated revenue by \$21,860,266.56. All seven (7) items under this category fell short of their projections.
- 2.13 Table 2.4 shows a comparison of the collections for financial year 2011 with the previous year's collection of \$178,428,026.34 reflecting a decrease in collections of \$5,848,292.90.

Table 2.4

ITEM	ACTUAL 2011 (\$)	ACTUAL 2010 (\$)	EXCESS/SHORTFALL (\$)
Import Duty	47,123,405.83	48,155,447.10	-1,032,041.27
Customs Service Charge	30,675,135.12	29,298,666.40	1,376,468.72
Travel Tax	863,166.31	827,970.80	35,195.51
Direct Entry Tax	32,005.00	36,577.00	-4,572.00
Vehicle Surcharge	2,502,500.50	3,478,275.14	-975,774.64
Excise Duty	20,181,521.91	22,520,658.12	-2,339,136.21
VAT	71,201,998.77	74,110,431.78	-2,908,433.01
TOTAL	172,579,733.44	178,428,026.34	-5,848,292.90

Taxes on Domestic Goods and Transactions

- 2.14 Taxes on Domestic Goods and Transactions contributed \$98,907,148.17 of actual recurrent revenue resulting in a short collection of its estimates of \$117,200,000.00 by \$18,292,851.83, and a decrease in collections of \$7,025,943.72 in the Revenue collected for 2010. Actual collections for 2011 compared with actual collections for 2010 are shown in Table 2.5.

Table 2.5

NARRATIVE	ACTUAL 2011 (\$)	ACTUAL 2010 (\$)	EXCESS/SHORTFALL (\$)
Stamp Duty	15,710,680.51	22,676,272.24	-6,965,591.73
Excise Duties	4,108,443.65	4,149,275.33	-40,831.68
Insurance Premium	3,708,361.05	3,793,640.77	-85,279.72
Interest Levy	10,615,222.87	9,063,898.72	1,551,324.15
Airport Service Charge	3,659,047.00	3,715,773.50	-56,726.50
VAT	61,105,393.09	62,534,231.33	-1,428,838.24
TOTAL	98,907,148.17	105,933,091.89	-7,025,943.72



Taxes on Property

15

The actual revenue of \$360,369.22 collected on Estate and Succession Duty exceeded its estimates by \$160,369.22, whereas Property Tax fell short of its estimated collections of \$6,000,000.00 by \$3,546,167.28, resulting in a shortfall of \$3,385,798.06 in revenue collection for Taxes on Property. The revenue collected under this category for the financial year, fell short of 2010 collections by \$87,816.13. Table 2.6 shows actual collections for the years 2010 and 2011.

Table 2.6

NARRATIVE	ACTUAL 2011 (\$)	ACTUAL 2010 (\$)	EXCESS/SHORTFALL (\$)
Property Tax	2,453,832.72	2,039,378.95	414,453.77
Estate and Succession Duty	360,369.22	862,639.12	-502,269.90
TOTAL	2,814,201.94	2,902,018.07	-87,816.13

Licenses

16

There was a net shortfall of \$5,395,519.61 in revenue collected for Licenses as a result of short collection of \$5,459,674.58 on nine (9) heads and excess collection of \$64,154.97 on four (4) heads. Actual revenue recorded for the financial year was \$23,439,480.39; this was a decrease of \$1,960,688.96 over the 2010 collections of \$25,400,169.35.

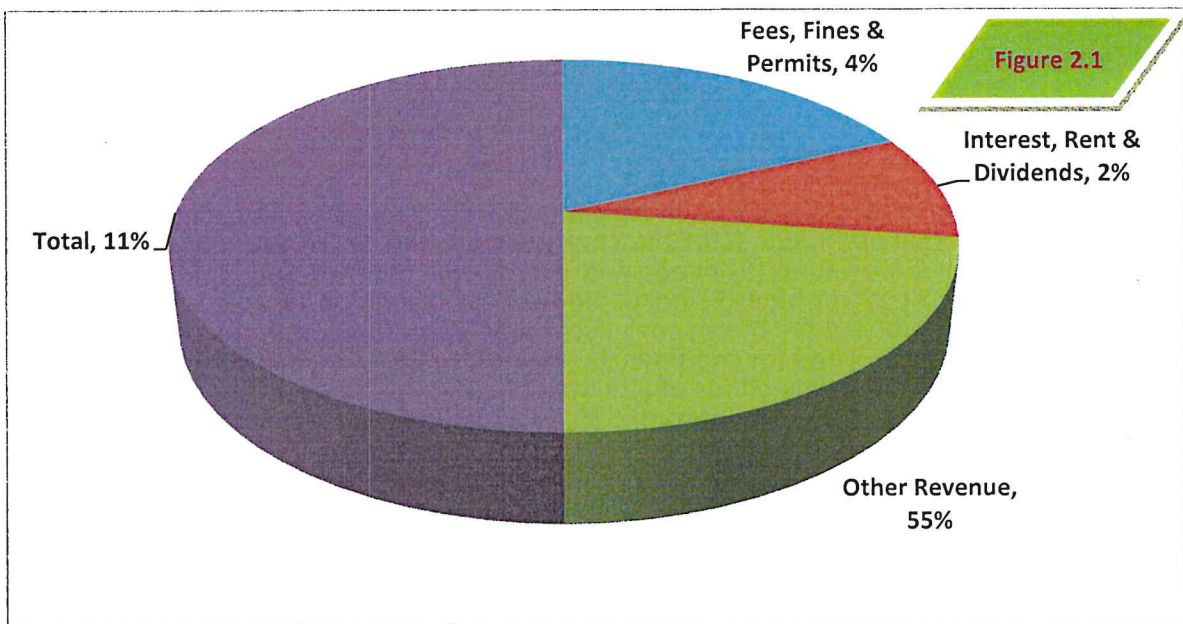


NON-TAX REVENUE

2.17 Actual non-tax revenue collected represented 11% of Recurrent Revenue. The composition of the collection is reflected in Table 2.7 and Figure 2.1.

Table 2.7

ITEMS	ACTUAL (\$)	%
Fees, Fines & Permits	17,670,237.15	4
Interest, Rent & Dividends	11,160,453.21	2
Other Revenue	21,508,678.07	5
TOTAL	73,778,848.82	11



Fees, Fines & Permits

2.18 Fifteen (15) items recorded revenue of \$4,260,140.73 below their estimates, while five (5) realised revenue of \$273,377.58 in excess of their estimates, and two (2) items registered no revenue, resulting in a net increase of \$4,030,262.85 for the year 2011.



Interest, Rent & Dividends

2.19 The total collection of \$11,160,453.21 exceeded the estimate of \$10,257,600.00 by \$902,853.21. Eight (8) items recorded total shortfall of \$3,425,369.63, while three (3) items exceeded their estimated projection by \$4,328,222.84. Revenue of \$1,500,000.00 and \$1,200,000.00 was estimated to be derived from Bank of St. Vincent and the Grenadines and Currency Profits respectively; however, no revenue was recorded for these items,

Other Revenue

2.20 The total collections from Other Revenue exceeded its estimated collection in 2011 by \$12,857,323.07. Eight (8) items realised revenue in excess of the estimates, totalling \$14,057,166.95 while two (2) recorded a shortfall of \$1,199,843.88).

2.21 Table 2.8 shows non tax revenue collected in 2011 with comparative figures for 2010, reflecting a shortfall of \$18,145,066.18 in the 2011 collections.

Table 2.8

NARRATIVE	ACTUAL 2011 (\$)	ACTUAL 2010 (\$)	SHORTFALL
Fees, Fines & Permits	17,670,237.15	21,400,583.38	-3,730,346.23
Interest, Rent & Dividends	11,160,453.21	13,502,772.52	-2,342,319.31
Other Revenue	21,508,678.07	33,581,078.71	-12,072,400.64
TOTAL	50,339,368.43	68,484,434.61	-18,145,066.18



CAPITAL REVENUE

Estimated Capital Revenue

Differences

2.22 There were several differences between the estimated amounts recorded on Statement of Revenue under Detail Accounts prepared by the Accountant General and that reflected in the Estimates of Revenue and Expenditure, resulting in a difference of \$2M as reported hereunder:

2.23 The accounts listed in Table 2.9 were not provided for in the approved Estimates but were reflected on the Statement.

Table 2.9

ACCOUNTS	DESCRIPTION	ESTIMATES (\$)
22201 1062	Grants	\$200,000.00
22201 2145	Grants	\$6,542,000.00
22201 2197	Grants	\$27,100,020.00
22201 3524	Grants	\$200,000.00
22201 3544	Grants	\$440,000.00
22201 3604	Loan	\$2,275,000.00
21001 1031	Sale of Land	\$24,000,000.00

- An approved estimate of \$0.00 instead of \$24,000,000.00 was shown under account 20-21101-1031 – Sale of Assets.
- Account 22001 without the Source of Fund (SOF) was shown as Local Revenue on the Statement with the actual collection of \$1,499,995.00. This account was not approved under local revenue in the Estimates.
- An estimate of \$10,600.300.00 was shown under Grant Account 22201 3277 instead of Loan Account 22301 3277.



- An estimate of \$10,719,000.00 was shown under Grant Account 22201 3506 instead of Loan Account 22301 3506.
- An estimate of \$32,312,040.00 instead of \$34,687,040.00 was shown under Account 22201-3604.
- The estimate of \$33,400,970.00 for Loan Account 22301 1062 was understated by \$200,000.00.
- An estimate of \$0.00 instead of \$6,542,000.00 was shown under Loan Account 22301 2145.
- An estimate of \$0.00 instead of \$25,100,020.00 was shown under Loan Account 22301 2197.
- An estimate of \$0.00 instead of \$10,719,000.00 was shown under Loan Account 22301 3506

2.24 As a result of the errors highlighted on the Statement, the estimated capital revenue was shown on the Statement as \$283,733,834.00, instead of \$281,733,834.00, resulting in an overstatement of \$2,000,000.00.

Actual Capital Revenue

2.25 During the financial year, a total of \$172,509,769.54 was recorded as receipts, falling short of estimated revenue of \$281,733,834.00.

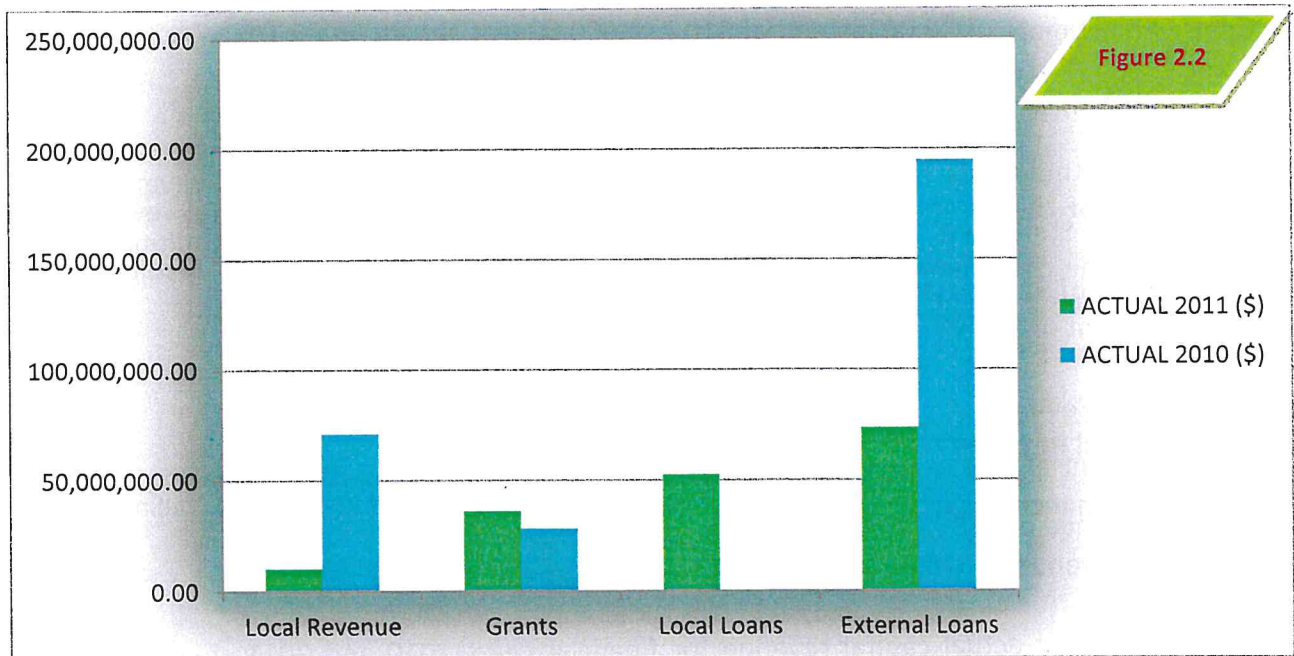
2.26 The comparison of actual capital revenue for financial years 2010 and 2011 showed a 41% decline from \$294,512,185.19 to \$172,509,769.54. This was due to a reduction in the amounts raised under Local Revenue, and External Loans; however, an increase in collections was recorded for Grants and Local Loans.



2.27 Table 2.10 and Figure 2.2 show the source of funds with comparative figures for 2010 and 2011.

Table 2.10

TYPE OF FUNDS	ACTUAL 2011 (\$)	ACTUAL 2010 (\$)	VARIANCE (\$)
Local Revenue	10,350,058.19	70,908,333.63	-60,558,275.44
Grants	36,211,901.56	28,296,453.21	7,915,448.35
Local Loans	52,500,000.00	500,000.00	52,000,000.00
External Loans	73,447,809.79	194,807,398.35	121,359,588.56
TOTAL	172,509,769.54	294,512,185.19	122,002,415.65





COMPARISON OF ESTIMATED AND ACTUAL REVENUE FOR THE YEARS 2007 - 2011

2.28

The variance between the total estimated and actual revenue for the last five (5) years is reflected in Table 2.11.

Table 2.11

YEAR	ESTIMATES (\$)	ACTUAL (\$)	VARIANCE (\$)
2007	630,091,735.00	530,278,834.84	99,812,900.16
2008	757,367,400.00	598,174,655.07	159,192,744.93
2009	750,904,091.00	645,580,651.35	105,323,439.65
2010	913,475,489.00	784,470,049.52	129,005,439.48
2011	786,488,289.00	634,987,618.63	151,500,670.37



STATEMENT OF DETAILED EXPENDITURE

- 2.29 There was a change in the number of Ministries in 2011. Programmes under the Ministry of Urban Development and the Ministry of Telecommunications were transferred to existing Ministries, while programmes under the Ministry of Rural Transformation were transferred under the newly created Ministry of Reconciliation. As a result the number of Ministries was reduced from fourteen to twelve.
- 2.30 The 2011 Appropriation, Act No. 1 of 2011 was passed in the House of Assembly on January 28, 2011, authorising total expenditure of \$786,329,474.00. The total expenditure appropriated by Parliament comprised recurrent expenditure of \$609,660,324.00 and capital expenditure of \$176,669,150.00. The difference of \$158,815.00 between the amount of \$609,660,324.00 approved for Recurrent Expenditure by Appropriation Act and the amount of \$609,819,139.00 reflected in the Estimates for the financial year is attributable to the Governor General's Emoluments and Allowances which is provided for by the Governor General's Emoluments and Pensions Act, CAP 269.
- 2.31 The comments made hereunder are based on comparison of revised estimates with actual expenditure

**RECURRENT EXPENDITURE**

2.32 The Estimates of Revenue and Expenditure for 2011 recorded estimated expenditure of \$609,819,139.00; however, the Financial Statement shows an estimated amount of \$609,819,130.00, a difference of \$9.00.

2.33 The approved estimates of \$609,819,139.00 were increased by \$15,361,764.00 by Supplementary Appropriation (No.2) Act No. 16 of 2013, resulting in revised estimates of \$625,180,903.00. However, the financial statement shows revised estimates of \$625,181,393.55.

Revised Estimates vs Actual Expenditure

2.34 The actual expenditure of \$571,010,158.79 recorded for the year, was \$54,171,234.76 or 9% less than the revised estimates of \$625,181,393.55 as shown in Table 2.12.

Table 2.12

Ministry/Department	Revised Estimates (\$)	Actual Expenditure (\$)	Difference
Autonomous Department	24,824,967.00	24,388,300.96	436,666.04
Office of the Prime Minister	16,079,348.00	13,783,394.24	2,295,953.76
Ministry of National Reconciliation	4,692,094.00	4,160,924.04	531,169.96
Ministry of Finance and Planning	224,698,516.00	208,283,012.64	16,415,503.36
Ministry of National Mobilisation	29,300,207.05	26,892,619.78	2,407,587.27
Ministry of Education	107,098,862.00	99,608,023.32	7,490,838.68
Ministry of National Security	53,655,908.00	51,160,027.92	2,495,880.08
Ministry of Agriculture, Forestry & Fisheries	21,527,284.00	18,014,130.54	3,513,153.46
Ministry of Transport & Works	32,068,782.00	29,988,814.35	2,079,967.65
Ministry of Health & the Environment	66,5401,040.50	62,380,740.50	4,160,300.00
Ministry of Housing	10,554,910.00	9,746,077.79	808,832.21
Ministry of Legal Affairs	3,325,772.00	2,567,808.09	757,963.91
Ministry of Foreign Affairs	11,652,702.00	9,218,786.88	2,433,915.12
Ministry of Tourism	19,161,001.00	10,817,497.74	8,343,503.26
TOTAL	625,181,393.55	571,010,158.79	54,171,234.76



Comparison of Actual Expenditure 2011 vs 2010

2.35 Actual recurrent expenditure of \$571,010,158.79 recorded for 2011 was \$31,627,606.12 less than the recorded expenditure of \$602,637,764.91 for 2010 as reflected in Table 2.13.

Table 2.13

Ministry/Department	Actual (\$) 2011	Actual (\$) 2010	Increase /Decrease(-)
Autonomous Department	24,388,300.96	23,693,592.71	694,708.25
Office of the Prime Minister	13,783,394.24	9,125,063.02	4,658,331.22
Ministry of Reconciliation	4,160,924.04	0	4,160,924.04
Ministry of Finance and Planning	208,283,012.64	267,112,667.22	-58,829,654.58
Ministry of National Mobilisation	26,892,619.78	20,352,803.99	6,539,815.79
Ministry of Education	99,608,023.32	94,277,387.51	5,330,635.81
Ministry of National Security	51,160,027.92	49,632,770.62	1,527,257.30
Ministry of Agriculture, Forestry & Fisheries	18,014,130.54	14,738,166.90	3,275,963.64
Ministry of Rural Transformation	0	3,217,436.59	-3,217,436.59
Ministry of Transport & Works	29,988,814.35	26,343,316.45	3,645,497.90
Ministry of Urban Development		3,804,842.34	-3,804,842.34
Ministry of Health and the Environment	62,380,740.50	55,396,517.62	6,984,222.88
Ministry of Housing	9,746,077.79	7,145,393.21	2,600,684.58
Ministry of Legal Affairs	2,567,808.09	2,565,095.06	2,713.03
Ministry of Telecommunications	0	4,617,589.58	-4,617,589.58
Ministry of Foreign Affairs	9,218,786.88	8,413,068.15	805,718.73
Ministry of Tourism and Industry	10,817,497.74	12,202,053.94	-1,384,556.20
TOTAL	571,010,158.79	602,637,764.91	31,627,606.12



Expenditure By Classification

2.36

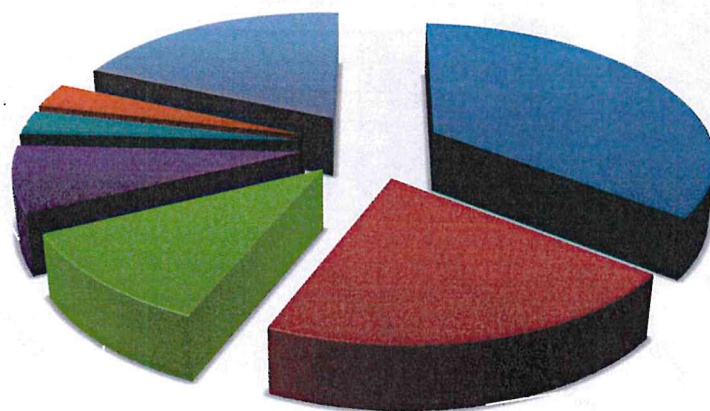
Personal Emoluments accounted for the largest expenditure of \$197,353,244.93, followed by Debt Servicing of \$121,861,152.76. An analysis of expenditure by classification is illustrated in Table 2.14 and Figure 2.3.

Table 2.14

Classification	2011	%
Personal Emoluments	197,353,244.93	35
Debt Servicing	121,861,152.76	21
Grants & Contributions	64,273,355.14	11
Retirement Benefits	45,008,148.30	8
Wages	18,184,122.39	3
Allowances	15,637,467.69	3
Others	108,692,628.73	19
TOTAL	571,010,119.94	100

- Personal Emoluments ■ Debt Servicing ■ Grants & Contributions
- Retirement Benefits ■ Wages ■ Allowances
- Others

Figure 2.3

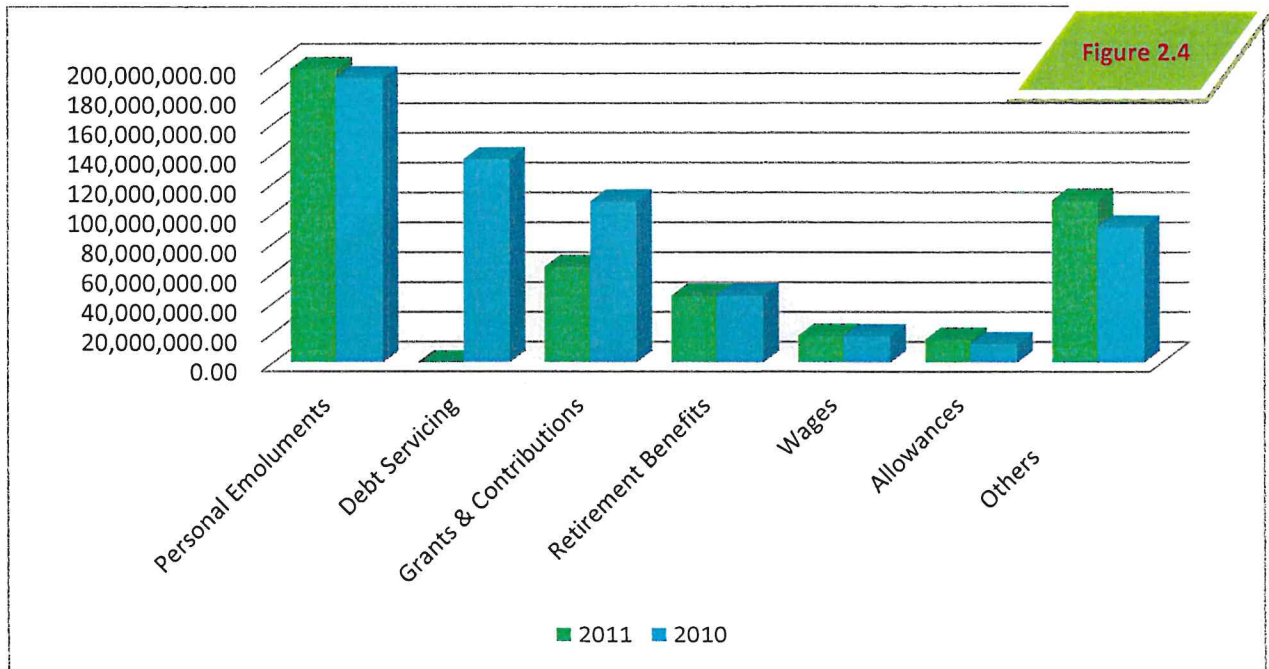




2.37 A comparison of expenditure for the financial years 2011 and 2010 shows that spending was increased for Personal Emoluments, Wages and Allowances; however, there was decreased spending in Debt Servicing, Grants and Contributions and Retirement Benefits for the financial year 2011. Table 2.15 and Figure 2.4 depict the comparison mentioned above.

Table 2.15

Classification	Expenditure (\$)		DIFFERENCE
	2011	2010	
Personal Emoluments	197,353,244.93	191,097,076.54	6,256,168.39
Debt Servicing	121,861,152.76	136,541,924.50	-14,680,771.74
Grants & Contributions	64,273,355.14	108,200,313.17	-43,926,958.03
Retirement Benefits	45,008,148.30	45,283,011.59	-274,863.29
Wages	18,184,122.39	17,911,420.86	272,701.53
Allowances	15,637,467.69	12,655,393.66	2,982,074.03
Others	108,692,628.73	90,815,922.84	17,876,705.89
TOTAL	571,010,119.94	602,637,764.91	-31,494,943.22





CAPITAL EXPENDITURE

2.38 No detailed analysis has been done on the capital projects to ascertain whether or not expenditure incurred was in conformity with terms of project agreement.

Differences

2.39 The approved Estimates of Revenue and Expenditure recorded estimated capital expenditure as \$176,669,150.00. The Statement presented by the Accountant General recorded the approved Estimates as \$178,669,150.00, a difference of \$2,000,000.00.

Revised Estimates

2.40 Special warrants totalling \$8,616,453.00 were approved resulting in a revised capital estimate of \$185,285,603.00. The Statement shows revised estimates of \$187,410,603.00, a variance of \$2,125,000.00. The variance of \$2,125,000.00 is ascribed to:

- i. An overstatement of \$2,000,000.00 on the estimated expenditure recorded on the financial statement under the Ministry of Health; and
- ii. An overstatement of \$125,000.00 shown under the Ministry of Education as a result of the duplication of Special Warrant No, 30/2011 in the Treasury accounts.

2.41 Special warrants totalling \$8,616,453.00 were approved, however, only \$8,493,157.00 was included in Supplementary Appropriation Act No 6 of 2013, resulting in an amount of \$123,296.00 not appropriated. The details of the amounts not covered by Appropriation are as follows:

- Ministry of Finance \$100,000.00
- Ministry of Transport and Works \$23,296.00



- 2.42 The actual capital expenditure of \$72,521,109.48 recorded for the financial year was \$10,994,724.24 less than the previous year's expenditure of \$83,515,833.72.

EXPENDITURE BY MINISTRIES

Office of the Prime Minister

- 2.43 An amount of \$7,476,030.00 was budgeted for the execution of fifteen (15) projects. During the year, a special warrant in the amount of \$31,825.00 was approved to cover expenses under the Taiwan ICT Centre project, increasing the portfolio by an additional project. As a result, the original estimate was increased to \$7,507,855.00.
- 2.44 Nine (9) projects incurred no expenditure while, the remaining seven (7) incurred total expenditure of \$237,335.47, representing 3% of the Ministry's capital budget.

Ministry of Finance and Planning

- 2.45 The Ministry of Finance spent \$5,575,042.68 of its capital budget on sixteen (16) of the twenty-three (23) projects. No expenditure was incurred on the other seven (7) projects. The actual expenditure represented 23.54% of the Ministry's total expenditure.
- 2.46 The Ministry's original budget of \$22,363,010.00 was increased by \$1,320,000.00 to \$23,683,010.00. Four (4) special warrants totalling \$1,320,000.00 were authorised for the financing of three (3) additional projects and \$300,000.00 to increase expenditure of an existing project. However, only \$1,220,000.00 was approved by Supplementary Appropriation Act.



2.47 The project recording the highest expenditure was the Upgrading of the Administrative Centre with an expenditure of \$1,441,768.18 representing 26% of the Ministry's spending, followed by the Population and Housing Census Programme with an amount of \$1,264,538.43.

Ministry of National Mobilisation

2.48 A total of \$200,680.01 was expended on two (2) of twelve (12) projects under the Ministry's ambit. The expenditure represented 6% of the Ministry's estimated expenditure of \$3,632,000.00.

Ministry of Education

2.49 The Ministry of Education had a total of fifteen (15) projects earmarked for the financial year. Seven (7) of these projects recorded no expenditure, while the remaining eight (8) had expenditure totalling \$20,662,809.93, representing 58.97 % of the Ministry's budget. Three (3) projects incurred expenditure in excess of \$1 million as shown in Table 2.1.

Table 2.16

Description	Revised Estimates	Actual Expenditure
Basic Education Project II	6,942,000.00	4,695,028.62
OECS Education Development Project	10,000,000.00	7,957,279.07
Improvement of Education thru ICT	11,782,402.00	5,399,341.79

2.50 Three (3) special warrants totalling \$1,707,402.00 were approved for the financial year.

Ministry of National Security

2.51 The Ministry of National Security recorded the highest expenditure of \$22,535,672.78, or 57.8% of its revised budget of \$38,986,590.00 as compared to \$39,334,962.49 or 39.43% of its revised budget of \$99,750,540.00 of the previous year. Of the twenty- five (25) projects listed under



the Ministry, only five (5) projects incurred expenditure, with the Argyle Airport Development incurring expenditure of \$21,600,000.00 representing approximately 96% of the Ministry's total expenditure. Two (2) special warrants totalling \$315,650.00 were approved during the financial year.

Ministry of Agriculture, Forestry and Fisheries

- 2.52 The Ministry had a total of twenty six (26) projects earmarked for the year at an estimated cost of \$13,949,410.00. Twenty-one (21) of these projects incurred no expenditure, while five (5) recorded expenditure of \$3,930,101.23 or 28.2% of the Ministry's budget. The Hurricane Tomas Rehabilitation had an expenditure level of \$2,354,931.09 representing approximately 60% of the Ministry's budget. According to the narrative in SmartStream expenditure incurred under this project included assistance to Banana Farmers who were affected by Hurricane Tomas.

Ministry of Transport and Works

- 2.53 The Ministry of Transport and Works spent \$6,436,134.87 or 21% of its revised budget of \$29,977,376.00 as compared to \$39,334,962.49 or 39.43% of its revised budget of \$99,750,540.00 of the previous year. Expenditure was incurred on eleven (11) of the twenty-nine (29) projects listed under the Ministry. Four (4) special warrants totalling \$1,737,296.00 were approved during the financial year.

Ministry of Health and the Environment

- 2.54 There was a difference of \$2,000,000.00 in the amount quoted in the Estimates of Revenue and Expenditure and that quoted on the Financial Statement prepared by the Accountant General. The Ministry spent 28.4% of its revised budget of \$16,065,010.00. Expenditure was incurred on



ten (10) of the eighteen (18) projects. The Modern Medical Complex was the only project to record expenditure in excess of \$1m.

Ministry of Housing, Informal Settlements etc

55 A total of \$2,213,115.75 was spent on the acquisition of land to use for various purposes. Additionally, a special warrant in an amount of \$2,000,000.00 was approved to bring to account Grant funds received from the Government of Qatar as financial assistance for the post Hurricane Tomas Housing Rehabilitation and Reconstruction programme. According to the narrative in the accounts the funds were subsequently transferred to the Housing and Land Development Corporation to facilitate the continued post Hurricane Tomas Housing Rehabilitation and Reconstruction projects.

56 There were five (5) other projects that were to be executed during this year; however, no expenditure was recorded. Programmes to be executed included the Gibson Corner settlement which had a budgeted expenditure of \$1,000,000.00. The Ministry's total expenditure of \$4,213,115.75 represented approximately 64% of its revised budgeted expenditure of \$6,540,000.00.

Ministry of Foreign Affairs

57 The Ministry of Foreign Affairs incurred expenditure on two (2) of its four (4) projects. The expenditure of \$65,650.24 for these projects represented 16% of the Ministry's budget.

The Ministry of Tourism

58 The Ministry was responsible for administering of seven (7) projects for which an amount of \$7,606,010.00 was allocated. The actual expenditure of \$3,924,774.24 was spent on four (4) projects with two (2) of the projects incurring expenditure in excess of \$1,000,000.00.

**STATEMENT OF ANNUAL ABSTRACT****RECURRENT BUDGET**

- 2.59 The original estimates showed an anticipated deficit of \$105,034,684.00 on the recurrent budget. Actual deficit recorded was \$108,532,309.70, as recurrent expenditure of \$571,010,158.79 exceeded recurrent revenue of \$462,477,849.09.

RECURRENT REVENUE

- 2.60 Actual recurrent revenue of \$462,477,849.09 collected for the financial year was comprised of Tax Revenue of \$388,699,000.27 (89%) and Non-Tax Revenue of \$73,778,848.82 (11%). The collection was a shortfall of \$42,306,605.91 from the estimated revenue of \$504,784,455.00. The shortfall in revenue collection is the net amount comprising of shortfalls on six (6) heads totalling \$56,066,782.19 and excess on two (2) heads totalling \$13,760,176.28, as outlined in Table 2.17 and depicted in Figure 2.5.

Table 2.17

CATEGORY	ESTIMATES	ACTUAL	DIFFERENCE	%
Taxes on Income & Profit	117,500,000.00	114,397,916.72	3,102,083.28	23.7
Taxes on Property	6,200,000.00	2,814,201.94	3,385,798.06	0.58
Taxes on International Trade and Transaction	194,440,000.00	172,579,733.44	21,860,266.56	41.2
Taxes on Domestic Goods and Transaction	117,200,000.00	98,907,148.17	18,292,851.83	22.5
Licenses	28,835,000.00	23,439,480.39	5,395,519.61	4.7
Fees, Fines & Permits	21,700,500.00	17,670,237.15	4,030,262.85	4.1
Interest, Rent & Dividends	10,257,600.00	11,160,453.21	-902,853.21	2.1
Other Revenue	8,651,355.00	21,508,678.07	12,857,323.07	1.1
TOTAL	504,784,455.00	462,477,849.09	42,306,605.91	100



2.61 The actual recurrent revenue collection for 2011 reflected a decline of \$27,480,015.24 or 5.6% from the previous year's receipts. Table 2.18 shows the total Recurrent Revenue credited for financial year 2011 with comparatives for 2010.

Table 2.18

CATEGORY	ACTUAL 2011	ACTUAL 2010	INCREASE (+)/DECREASE(-)
Taxes on Income & Profit	114,397,916.72	108,810,124.07	5,587,792.65
Taxes on Property	2,814,201.94	2,902,018.07	-87,816.13
Taxes on International Trade & Transaction	172,579,733.44	178,428,026.34	-5,848,292.90
Taxes on Domestic Goods & Transaction	98,907,148.17	105,933,091.89	-7,025,943.72
Licenses	23,439,480.39	25,400,169.35	-1,960,688.96
Fees, Fines & Permits	17,670,237.15	21,400,583.38	-3,730,346.23
Interest, Rent & Dividends	11,160,453.21	13,502,772.52	-2,342,319.31
Other Revenue	21,508,678.07	33,581,078.71	-12,072,400.64
TOTAL	462,477,849.09	489,957,864.33	-27,480,015.24

RECURRENT EXPENDITURE

2.62 An amount of \$54,171,234.76 less than the revised estimates of \$625,181,393.55 was recorded for actual recurrent expenditure for the financial year. Although there was a decrease in overall spending, ten (10) Ministries recorded increases in expenditure over that of the previous year.

2.63 Eight (8) of the ten (10) Ministries increased expenditure was in excess of \$1,000,000.00. Comparison of expenditure incurred for 2011 and 2010 are shown at Table 2.13 under Statement of Detailed Expenditure.

CAPITAL BUDGET

2.64 The original estimates showed an anticipated deficit of \$105,034,684.00 on the capital budget. However actual capital revenue of \$172,509,769.54 exceeded actual capital expenditure of \$72,521,109.48 resulting in a surplus of \$99,988,660.06 on the capital budget for the financial year.



CAPITAL REVENUE

2.65 The actual capital revenue of \$172,509,769.54 received for the financial year fell short of the estimated capital revenue of \$281,733,834.00 by \$109,224,064.46 as shown in Table 2.19.

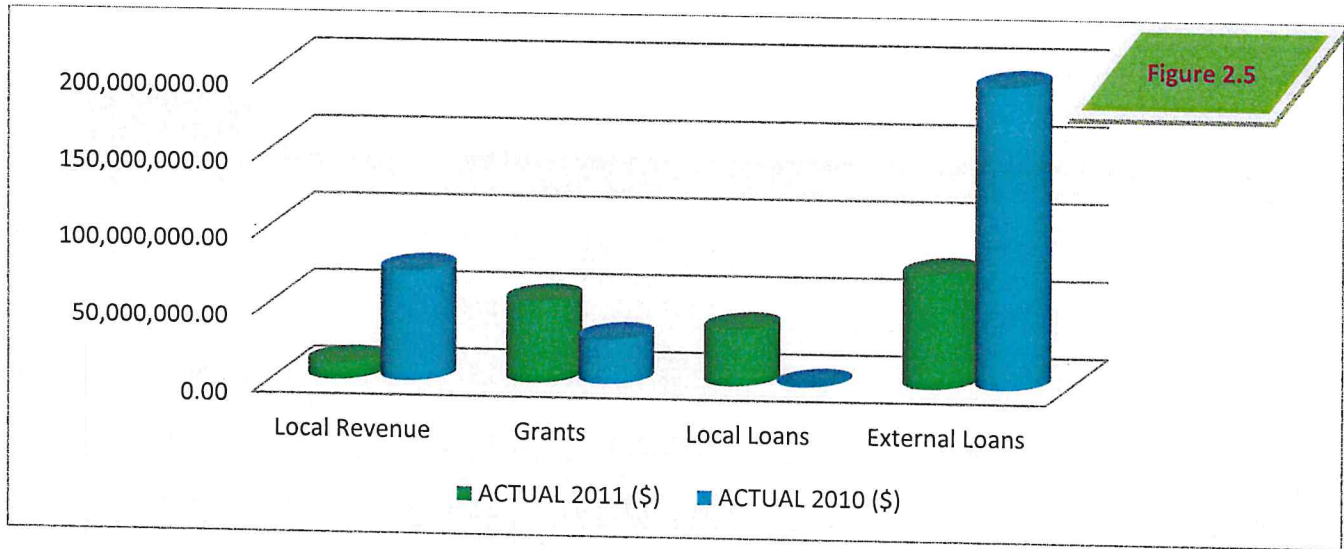
Table 2.19

SOURCE	ESTIMATED	ACTUAL	VARIANCE
Local Revenue	140,708,564.00	10,350,058.19	130,358,505.81
Grants	33,400,970.00	36,211,901.56	2,163,250.00
Local Loans	54,663,250.00	52,500,000.00	-2,810,931.56
External Loans	52,961,050.00	73,447,809.79	-20,486,759.79
TOTAL	281,733,834.00	172,509,769.54	109,224,064.46

2.66 A comparison of the 2011 receipts with that recorded for 2010 showed that the 2011 revenue fell short of the previous year's collections by \$122,002,415.65 as reflected in Table 2.20 and Figure 2.6.

Table 2.20

CLASSIFICATION	ACTUAL 2011 (\$)	ACTUAL 2010 (\$)	VARIANCE (\$)
Local Revenue	10,350,058.19	70,908,333.63	-60,558,275.44
Grants	52,500,000.00	28,296,453.21	24,203,546.79
Local Loans	36,211,901.56	500,000.00	35,711,901.56
External Loans	73,447,809.79	194,807,398.35	121,359,588.56
TOTAL	172,509,769.54	294,512,185.19	122,002,415.65



CAPITAL EXPENDITURE

The total capital expenditure of \$72,521,109.45 for the financial year represented 39% of the revised budget.

EXPENDITURE BY MINISTRIES

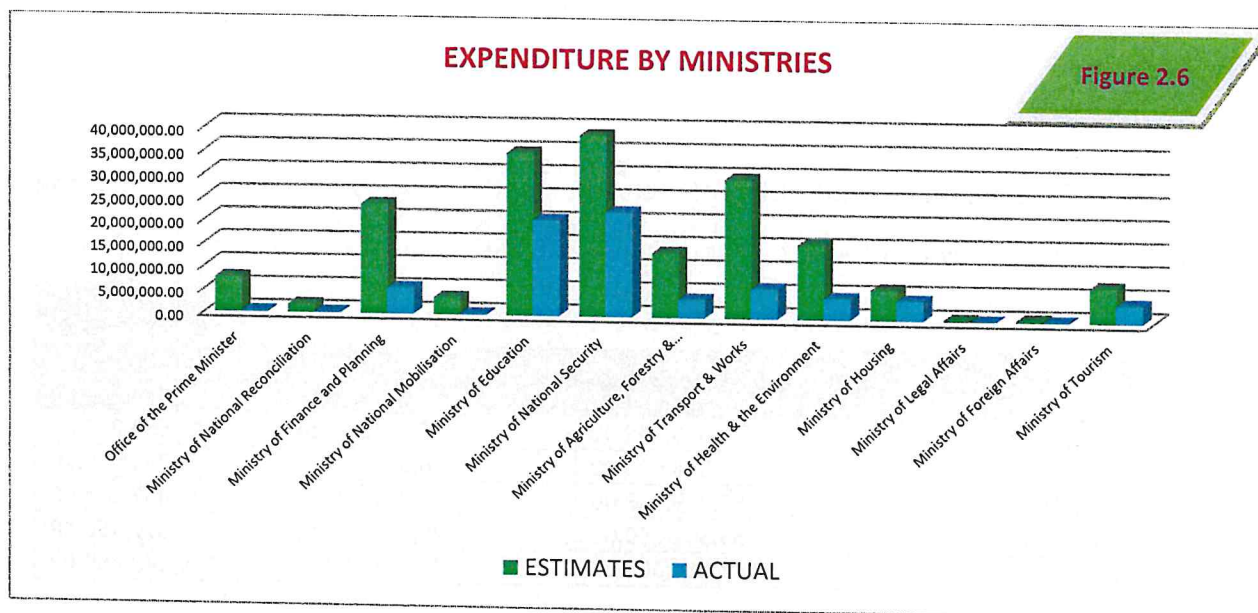
Table 2.21 figure 2.7 shows the variance between the revised estimates and actual capital expenditure by Ministries and Departments for the financial year 2011.

**Sve****AUDIT OFFICE**

Director of Audit Report 2011

Table 2.21

MINISTRY	REVISED	ACTUAL	VARIANCE
Office of the Prime Minister	7,507,855.00	237,335.17	7,270,519.83
Ministry of National Reconciliation	1,725,010.00	176,258.55	1,548,751.45
Ministry of Finance and Planning	23,683,010.00	5,575,042.68	18,107,967.32
Ministry of National Mobilisation	3,632,000.00	200,680.01	3,431,319.99
Ministry of Education	35,039,222.00	20,662,809.93	14,376,412.07
Ministry of National Security	38,986,590.00	22,535,672.78	16,450,917.22
Ministry of Agriculture, Forestry & Fisheries	13,949,410.00	3,930,101.23	10,019,308.77
Ministry of Transport & Works	29,977,376.00	6,436,134.87	23,541,241.13
Ministry of Health & the Environment	16,065,010.00	4,563,534.03	11,501,475.97
Ministry of Housing	6,540,000.00	4,213,115.75	2,326,884.25
Ministry of Legal Affairs	300,000.00	-	300,000.00
Ministry of Foreign Affairs	399,110.00	65,650.24	333,459.76
Ministry of Tourism	7,606,010.00	3,924,774.24	3,681,235.76
TOTAL	185,410,603.00	72,521,109.48	112,889,493.52



Expenditure by Source of Funds

The difference of \$2,000,000.00 between the approved estimates and the Statement according to Source of Funds is depicted in Table 2.22

Table 2.22

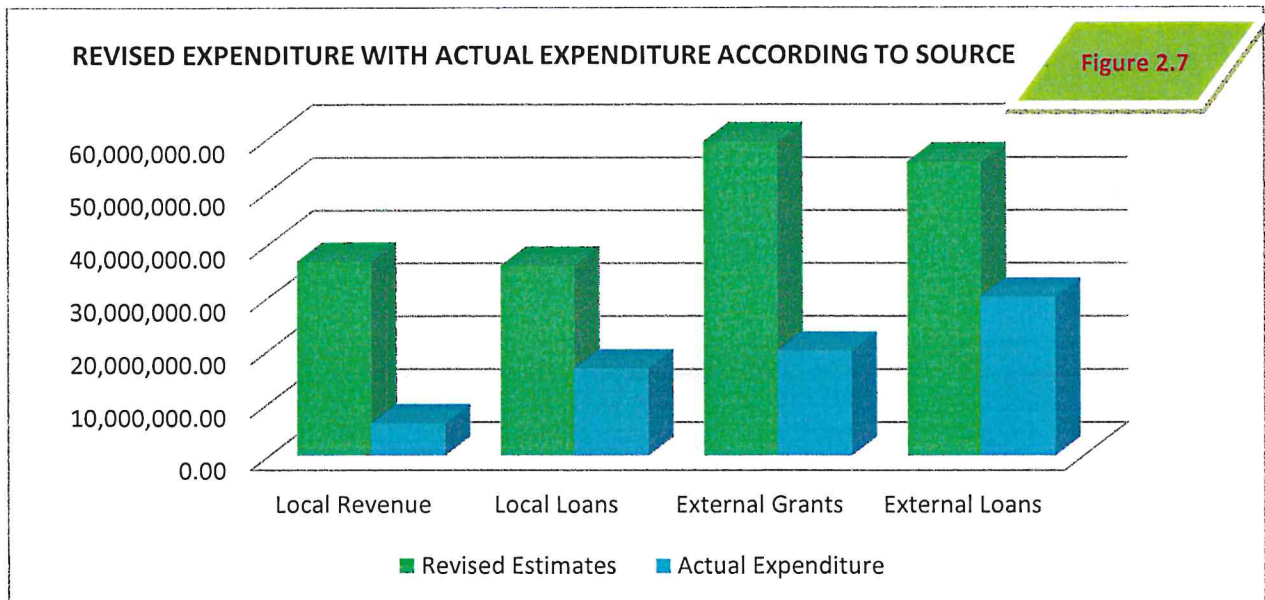
A/C	SOURCE OF FUNDS	TYPE	APPROVED ESTIMATES	STATEMENT	DIFFERENCE
1062	LOCAL	LOAN	33,400,970.00	34,860,970.00	(1,460,000.00)
2197	GOVT OF VENEZUELA	LOAN	25,100,020.00	27,100,020.00	(2,000,000.00)
3275	TAIWAN/ROC	GRANT	7,090,010.00	6,690,020.00	399,990.00
3277	TAIWAN/ROC	LOAN	10,600,030.00	11,100,020.00	(499,990.00)
3315	USA	GRANT	3,450,900.00	3,450,900.00	-
3506	IBRD	LOAN	10,719,000.00	8,719,000.00	2,000,000.00
3524	UNDP	GRANT		100,000.00	(100,000.00)
3544	UNCF	GRANT	640,000.00	440,000.00	200,000.00
3604	EUROPEAN UNION	GRANT	34,687,040.00	33,187,040.00	1,500,000.00
3626	IDA	LOAN		2,000,000.00	(2,000,000.00)
3996	OTHER EXTERNAL	LOAN	0	40,000.00	(40,000.00)
TOTAL			176,669,150.00	178,629,150.00	(2,000,000.00)



2.70 A comparison of estimated expenditure with actual expenditure according to source, for the Financial Year 2011 is shown in Table 2.23 and Figure 2.28 with comparative figures for 2010.

Table 2.23

Source	Revised Estimates (\$)	Actual Expenditure (\$)	Variance (\$)
Local Revenue	36,695,705.00	6,161,471.58	30,534,233.42
Local Loans	35,854,320.00	16,514,343.82	19,339,976.18
External Grants	59,359,538.00	19,861,704.00	39,497,834.00
External Loans	55,501,040.00	29,983,589.52	25,517,450.48
Total	187,410,603.00	72,521,108.92	114,889,494.08



2.71 A comparison of the capital expenditure for the years 2011 and 2010 showed that capital expenditure for 2011 was \$10,994,724.80 less than that recorded for 2010 as shown in Table 2.24.



Table 2.24

Source	2011 (\$)	2010 (\$)	Variance(\$)
Local Revenue	6,161,471.58	3,062,035.89	3,099,435.69
Local Loans	16,514,343.82	15,525,077.37	989,266.45
External Grants	19,861,704.00	15,417,466.43	4,444,237.57
External Loans	29,983,589.52	49,511,254.23	-19,527,664.71
Total	72,521,108.92	83,515,833.92	-10,994,725.00

BUDGET OUT TURN

There was a deficit of \$8,543,649.64 on the overall budget for the financial year. The Actual Budget Out Turn for the year as compared with the original estimates is shown in Table 2.25.

Table 2.25

Item	Estimate	Actual	Difference
Recurrent Revenue	504,784,455.00	462,477,849.09	42,306,605.91
Recurrent Expenditure	609,819,139.00	571,010,158.79	38,808,980.21
Surplus/Deficit	(105,034,684.00)	(108,532,309.70)	3,497,625.70
Capital Revenue	281,733,834.00	172,509,769.54	109,224,064.46
Capital Financing	176,669,150.00	63,977,459.84	112,791,690.16
Capital Expenditure	176,669,150.00	72,521,109.48	104,148,040.52
Surplus (Deficit)	0.00	(8,543,649.64)	8,543,649.64

A comparison of the Budget Out Turn for 2010 with 2011 is displayed in Table 2.26.

Table 2.26

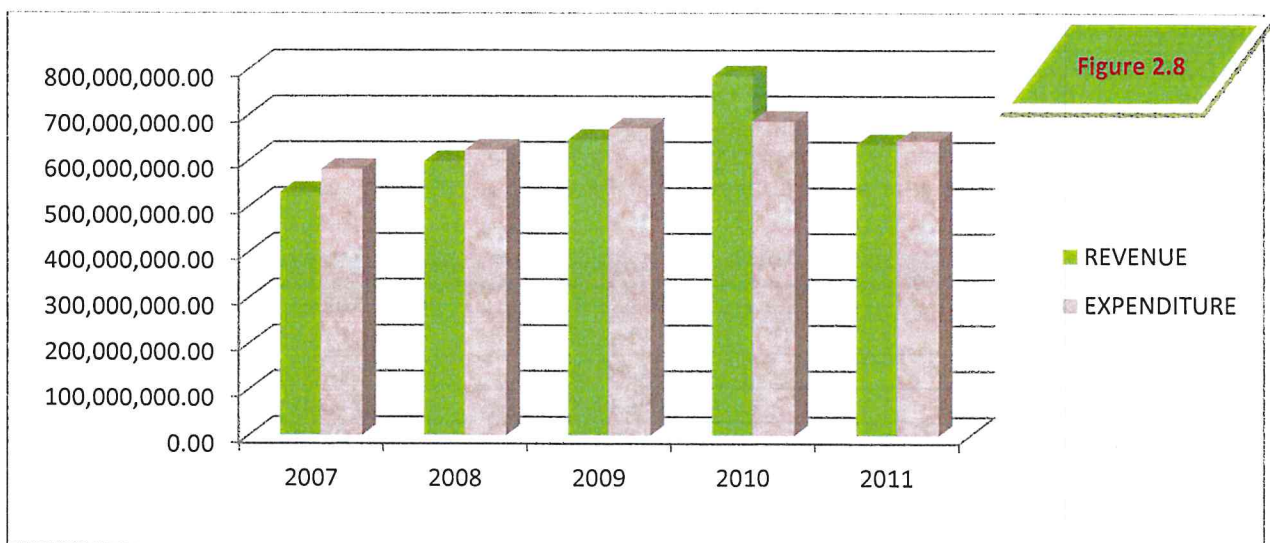
ITEM	2011 (\$)	2010 (\$)
Recurrent Revenue	462,477,849.09	489,957,864.33
Recurrent Expenditure	571,010,158.79	602,637,764.91
Surplus/Deficit	(108,532,309.70)	(112,679,900.58)++
Capital Revenue	172,509,769.54	294,512,185.19
Capital Financing	63,977,459.84	181,832,284.61
Capital Expenditure	72,521,109.48	83,515,833.72
Surplus (Deficit)	(8,543,649.64)	98,316,450.89



2.74 The results of the Budget Out Turn for the last five (5) years is depicted in table

Table 2.27

YEAR	REVENUE (\$)	EXPENDITURE (\$)	VARIANCE (\$)
2007	530,278,843.81	581,200,108.98	-50,921,265.17
2008	598,174,655.07	623,623,048.95	-25,448,393.88
2009	645,580,651.35	671,097,020.08	-25,516,368.73
2010	784,470,049.52	686,153,598.63	98,316,450.89
2011	634,987,618.63	643,531,268.27	-8,543,649.64





STATEMENT OF ADVANCES

2.75 The Statement of Advances is comprised of the following categories:

- Other Governments
- Government Officers
- Departmental Advances
- Other Advances

2.76 According to section 32 (4) of the Finance Administration Act 2004, the aggregate of the sum committed or disbursed for the purposes of making advances but not repaid, shall not exceed at any one time five per cent (5%) of the recurrent revenue in the annual estimate for the previous financial year.

2.77 The Statement shows an aggregate balance of \$24,822,232.05. This balance represented approximately five percent (5%) of the estimated recurrent revenue of \$502, 446 000.00 for 2010.

Other Governments

2.78 There were eleven (11) debit balances totalling \$2,068,250.55 and one (1) credit balance totalling \$49,969.79, resulting in a net debit balance of \$2,018,280.76 as at December 31, 2011. This balance was \$845,594.10 in excess more than that of the previous year. An examination of these accounts showed that a total of \$817,114.04 was paid out as gratuity payments from the participating countries during the financial year. The year end balances have not been confirmed with the respective Governments.



Government Officers

2.79 Three hundred and thirty-nine (339) Advance Warrants totalling \$4,982,779.17 were issued during 2011. Comparatively, three hundred and eleven (311) Advanced Warrants for an amount of \$3,542,668.55 was approved for 2010. The warrants issued in 2011 were categorised as follows.

2.80 The warrants issued were categorized as follows:-

Table 2.28

DESCRIPTION	AMOUNT (\$)
Travel	445,253.01
Training/Course expenses	235,773.16
Miscellaneous	62,000.00
Departmental	381,518.00
Other/Overseas Offices	3,858,275.00
TOTAL	4,982,779.17

2.81 The Statement shows a net debit balance of \$454,212.69 as at December 31, 2011. Of the outstanding amount \$179,988.12 and \$5,438.65 was stated as Advances to persons who are retired or deceased and Advances to be written off respectively. The Accountant General should take the necessary action to have these amounts removed from the accounts.

Departmental Advances

2.82 Included in the Departmental Advances during the financial year, was an advance of \$318,518.00 which was issued to the Attorney General for the purpose of purchasing fifty (50) sets of the revised laws of SVG from Lexis Nexis for resale. The advance was to be repaid from the proceeds of the sale of the Laws. An amount of \$25,989.87 was paid on the advance in 2011, leaving a balance of \$355,528.13 to be repaid.



Accountant General's Response

The funds from the Revised Laws were inadvertently paid to Revenue by the Office of the Attorney General instead of the Advance Account. The Accounts were closed and the funds paid to Revenue could not be journalised. The Statement showed an aggregate balance of \$363,140.54 as at December 31, 2011.

Other Advances

83 There were twenty-eight (28) accounts categorised under Other Advances. The Statements shows a net debit balance of \$21,986,598.18 at December 31, 2011. The comparative balance as at December 31, 2010 was \$22,224,905.49.

84 Three (3) accounts namely, DEVCO, Rabacca Farms and ECCB Payment which were highlighted in my previous report(s), remained unchanged in the accounts at the end of the year as shown in Table 2.29.

Table 2.29

Accounts	2011
DEVCO	8,099,317.59
Rabacca Farms	1,223,264.86
ECCB Payment	5,106,325.90

**STATEMENT OF GENERAL DEPOSITS****Other Governments**

- 2.85 The twelve (12) deposit accounts which are being operated by the Accountant General that accounts for business conducted by the regional Governments on behalf of the Government of Saint Vincent and the Grenadines showed a net credit balance of \$560,395.67. Seven (7) accounts showed credit balances totalling \$919,490.72 and five (5) with debit balances of \$359,095.05. The transactions for the year were examined, however no confirmation of balances were sent to the respective Governments.

Statutory Bodies

- 2.86 The balance on the twelve (12) deposit accounts held on behalf of the statutory bodies showed a net credit balance of \$11,608,215.50, an increase of \$823,175.30 over the previous year's balance of \$10,785,404.20. During the year, only three (3) accounts namely, Port Authority, Port Authority - Cruise Ship Berth and CWSA - Environmental Levy recorded transactions. The balances on the other nine (9) accounts remained unchanged.

Departmental Accounts

- 2.87 These accounts are operated by the Accountant General on behalf of various Ministries and Departments and as such, should be monitored by the Accounting Officers to ensure that the correct allocations are affected. There are several of these accounts, which may have outlived their usefulness and should be closed by the Accountant General. As at December 31, 2011, there were fifty nine (59) departmental accounts showing a net credit balance of \$40,414,938.01.



Individuals

2.88 Monies collected and held on behalf of private citizens and other non -governmental organizations showed a net credit balance of \$3,443,468.29. Included in this balance is an amount of \$66,294.63, which is reflected in the statement and the Treasury accounts as 'Individual accounts written off' but still remain in the accounts.

2.89 As at December 31, 2016, there was a net credit balance of \$3,443,468.29, a decrease of \$76,893.53 in the balance of \$3,520,361.82 held at the end of the previous financial year.

Local Governments

2.90 There are twelve (12) accounts operated by the Accountant General for the Local Government Authorities. Ten (10) Offices recorded credit balances totalling \$47,875.12 while two (2) recorded debit balances totalling \$14,788.02. At the end of the financial year there was a net credit balance of \$33,087.10, a decrease of \$33,697.77 from the 2010 closing balance. The Accountant General should investigate the debit balance since this indicates overdrawn balances



STATEMENT OF INVESTMENTS

2.91 The accounts disclosed on the Statement of Investment were classified as Trust Funds Investments Special Deposits.

TRUST FUNDS

2.92 Five (5) Trust Funds were reflected on the Statement prepared by the Accountant General, only three (3) of these trust funds were traced to the Certificate of Balances for accounts held at the Bank of St. Vincent and the Grenadines as at December 31, 2011. Interest of \$3,143.02 was accrued on the Trust Funds as reflected in Table 2.30.

Table 2.30

	2011	2010	INTEREST
Graham Bequest	82,484.97	80,056.12	2,428.85
Simmons Bequest	8,226.66	7,987.05	239.61
Haywood X-Ray Fund	16,293.31	15,818.75	474.56
Total	107,004.94	103,861.92	3,143.02

Accountant General's Response

The Bank of St Vincent and the Grenadines closed the accounts, stating that they were dormant and the funds were transferred to the Eastern Caribbean Central Bank (ECCB) and the Current Account. The advice of the Hon. Attorney General was sought to close out the small Trust Accounts and transfer the balances to GHS, the beneficiary of a few of the Trust Funds.



SINKING FUND – 7% Development Bonds 2012/2013

93 A total of 7,778,968.35 representing Sinking Fund contribution and interest earned on the investment was credited to the Sinking Fund 7% Development Bonds 2012/2013 during the year. The accumulated balance on the Sinking Fund at December 31, 2011 is \$50,215,864.10.

INVESTMENTS

Accountant General Balcombe

94 An amount of \$1,800,007.00 was transferred to the Accountant General’s current account during the year. Interest of \$5,202.47 was accrued on the account. The closing balance as at December 31, 2011 was \$22,068.91.

Canouan Development Funds

95 The increase on the investment at the end of the financial year was attributable to interest of \$136,017.91 accrued on the investment during the year. The balance on this investment as at December 31, 2011, was \$1,186,903.28.

Other Accounts

96 The Bequia Agriculture Improvement Fund, Accountant General Special Drawing Rights and the GOVSVG Student Loan were also included on the Statement of Investments and reflected in the following year end balances.

Table 2.31

DESCRIPTION	BALANCE AT 31/12/2011
Bequia Agriculture Improvement Fund	2,295.36
Accountant General Special Drawing Rights	21,045,877.14
GOVSVG Student Loan	8,196,383.50



- 2.97 The accounts of the Bequia Agriculture Improvement Fund and the Accountant General Special Drawing Rights were reflected on the Certificate of Balances issued by the BOSVG.

SPECIAL DEPOSITS

Fiscal Reserve Account ECCB

- 2.98 The balance in 2011 was increased to \$1,578,397.04. A total of \$662,387.58 representing currency profit and interest was credited to the account during the financial year.



STATEMENT OF PUBLIC DEBT

STATEMENT

The Statement of Public Debt 2011 prepared by the Accountant General shows a total of \$233,778,240.12 as at December 31, 2011, an increase of \$32.2 million or 15.96% from the previous year's position of \$201,607,142.87. One (1) new loan was included on the Statement - O/Draft Loan #675/11-BOSVG, Loan of - \$50,000,000.

Table 2.32 shows the debt and repayments as disclosed on the Public Debt Statement.

Table 2.32

DESCRIPTION	ORIGINAL DEBT	AMOUNT REPAID	BAL @ 31/12/11
First Caribbean Programme	30,000,000.00	21,250,000.00	8,750,000.00
Domestic Bonds 2012/13	30,000,000.00		30,000,000.00
Domestic Bonds 2014	30,000,000.00		30,000,000.00
Domestic Bonds 2016	40,000,000.00	20,000,000.00	20,000,000.00
Domestic Bonds 2016A	45,000,000.00	16,071,427.47	28,928,572.53
Domestic Bonds 2016B	50,000,000.00		50,000,000.00
Domestic Bonds 2017	30,000,000.00	12,000,000.00	18,000,000.00
O/Draft Loan #675/11-BOSVG	50,000,000.00	1,900,000.00	48,099,667.59
TOTAL	305,000,000.00	71,221,427.47	233,778,240.12

Domestic Bonds

Principal repayments totalling \$13,428,570.34 made during the year were applied to the listed Domestic Bonds as shown in Table 2.34.



Table 2.33

DESCRIPTION	BAL @ 31/12/10	BAL @ 31/12/11	REPAYMENT
Domestic Bonds 2016	24,000,000.00	20,000,000.00	4,000,000.00
Domestic Bonds 2016A	35,357,142.87	28,928,572.53	6,428,570.34
Domestic Bonds 2017	21,000,000.00	18,000,000.00	3,000,000.00
TOTAL	80,357,142.87	66,928,572.53	13,428,570.34

2.102 An examination of the Treasury Accounts shows that contributions of \$6,000,000.00 were paid to the Sinking Fund Account No.65004 set up for the Domestic Bonds 2012/2013.

Accountant General's Response

Contributions made to the sinking fund included contributions for Domestic Bonds 2014 and 2016B since separate sinking funds are no longer set up for each bond issue.

2.103 However, the narrative in the accounts did not disclose that contributions made were for Domestic Bonds 2012/2013, Domestic Bonds 2014 and Domestic Bonds 2016B.

Loans

2.104 Repayment on Loan principal for the loans recorded in Table 2.34 totalled \$4,400,332.41 during the year.

Table 2.34

DESCRIPTION	BAL @ 31/12/11	BAL @ 31/12/11	REPAYMENT
First Caribbean Programme	11,250,000.00	8,750,000.00	2,500,000.00
O/Draft Loan #675/11-BOSVG	50,000,000.00	48,099,667.59	1,900,332.41
TOTAL	61,250,000.00	56,849,667.59	4,400,332.41



Cost of Servicing Public Debt

105 The cost of servicing Public Debt includes amortisation, interest and sinking fund contributions. According to the Statement of Detailed Expenditure, a total of \$121,861,152.76 was expended for Debt Servicing during 2011.

106 Table 2.35 shows the variance between the Revised Estimated Expenditure and the Actual Expenditure incurred for the year.

Table 2.35

DESCRIPTION		REVISED ESTIMATE	ACTUAL	VARIANCE
Debt Servicing - Internal	Interest	26,581,580.00	23,422,118.57	3,159,461.43
	Amortisation	17,828,903.83	17,828,903.83	319,507.17
	Sinking Fund Contribution	6,000,020.00	6,000,000.00	20.00
Debt Servicing - External	Interest	26,677,785.00	22,615,835.29	4,061,949.71
	Amortisation	53,596,450.00	51,994,295.07	1,602,154.93
TOTAL		130,684,738.83	121,861,152.76	9,143,093.24

107 Total Debt Servicing during the past five (5) financial years are shown in Table 2.36.

Table 2.36

PARTICULARS	2007 \$M	2008 \$M	2009 \$M	2010 \$M	2011 \$M
Internal Amortisation	24.0	24.0	28.4	33.8	17.8
External Amortisation	21.3	23.0	22.5	21.4	52.0
SUB-TOTAL	45.3	47.0	50.9	55.2	69.8
Sinking Fund Contribution	9.0	5.2	6.0	12.0	6.0
Internal Interest	8.5	12.0	18.4	18.9	23.4
External Interest	39.9	43.2	46.9	50.2	22.6
TOTAL	102.7	107.4	122.2	136.3	121.8

5079



2.108 Table 2.37 shows the cost of servicing public debt as a percentage of total recurrent revenue and recurrent expenditure for the past five (5) financial years.

Table 2.37

FINANCIAL YEAR	COST OF DEBT SERVICING \$M	RECURRENT REVENUE \$M	% OF RECURRENT REVENUE	RECURRENT EXPENDITURE \$M	% OF RECURRENT EXPENDITURE
2007	102.7	433.4	23.7	436	23.6
2008	107.4	489.5	21.9	492.7	21.8
2009	122.2	466.3	26.2	541.0	22.7
2010	136.3	490	27.8	602.6	28.6
2011	121.8	462.5	26.3	571.0	21.3

2.109 The figures disclosed in the preceding table showed that the cost of public debt declined as a percentage of both Recurrent Expenditure and Recurrent Revenue in the current year from the previous year.



SCHEDULE OF LOANS

2.110 A schedule of loans which are serviceable from Government Budget and maintained by the Debt Unit, Ministry of Finance is attached to the Statement of Public Debt submitted by the Accountant General.

2.111 No examination was undertaken of the accounts; therefore, reliance cannot be placed on the accuracy of the outstanding loan balances. These loans have been included in the Treasury accounts from 2010; however, they are not included on the Statement of Public Debt (prepared by the Accountant General).

112 There were differences between the outstanding loan balances recorded on the Schedule of Loans for December 31, 2010 and January 1, 2011 as shown in Table 2.38.

Table 2.38

CREDITOR		31/12/2010	1/1/2011
83001	European Investment Bank	28,926,766.00	10,233,942.00
83002	IDA/IBRD	66,244,722.00	14,802,651.00
83006	Export – Import Bank China	4,634,936.00	3,914,962.00
83007	Kuwait Fund for Arab Economic Dev.	7,685,201.00	6,817,427.00
83008	CDB Loans	396,740,676.00	340,926,745.00
83012	US Agency for Int’l Development	12,872,467.00	12,573,436.00
TOTAL		517,104,768.00	389,269,163.00

113 Further, there were variances between the balances recorded on the Schedule of loans and the Treasury accounts as at January 1, 2011 as reflected in Table 2.39.



Table 2.39

CREDITOR		1/1/2011	1/1//2011
		SCHEDULE	SMARTSTREAM
LOANS			
83001	European Investment Bank	10,233,942.00	28,926,766.00
83002	IDA/IBRD	14,802,651.00	8,756,484.00
83005	International Development Association	57,231,874.00	57,483,243.00
83008	CDB Loans	340,926,745.00	440,480,170.00
83012	US Agency for Int'l Development	12,573,436.00	12,872,467.00
83019	Agence Francaise De Development	1,956,402.00	1,826,799.00
BONDS			
84003	CITIBANK	13,333,333.00	34,123,333.78
84004	Royal Merchant Bank and Finance CO.	46,645,278.00	27,103,058.78
84005	First Line Securities Ltd	32,400,003.00	31,152,222.00
TOTAL		530,103,664.00	642,724,543.56

2.114 Several adjustments were made to the accounts during the financial year, which according to the narrative in the Treasury accounts were to bring the Treasury accounts balances in line with the balances at the Ministry of Finance Debt Unit. This narrative was considered to be rather vague.

2.115 A summary of the loans reflected on the Schedule and the Treasury accounts at the end of the financial year are shown in Table 2.40.



Table 2.40

CREDITOR		SCHEDULE OF LOANS 31/12/2011	TREASURY ACCOUNTS 31/12/2011
83001	European Investment Bank	7,428,283.00	7,428,283.00
83002	IDA/IBRD	18,013,283.00	18,013,283.00
83003	Govt. Trinidad and Tobago	10,144,344.00	10,144,344.00
83004	Int'l Monetary Fund	29,955,919.00	29,955,919.00
83005	International Development Association	58,051,453.63	58,051,453.63
83006	Export – Import Bank China	2,924,958.00	2,924,958.00
83007	Kuwait Fund for Arab Economic Dev.	5,334,052.00	5,334,052.00
83008	CDB Loans	330,736,429.00	330,736,429.00
83012	US Agency for Int'l Development	11,570,342.00	11,570,342.00
83013	Int'l Fund for Agric. Development	196,365.00	196,365.00
83017	Bank of Communication ROC Loans	-	-
83018	ALBA Bank	108,000,000.00	108,000,000.00
83019	Agence Francaise De Development	1,826,799.00	1,826,799.00
84001	Bank of Nova Scotia Loans	13,500,000.00	13,500,000.00
84002	Caribbean Money Market Brokers	12,000,000.00	12,000,000.00
84003	CITIBANK	8,888,889.00	8,888,889.00
84004	Royal Merchant Bank and Finance CO.	35,543,334.00	35,543,334.00
84005	First Line Securities Ltd	28,080,003.00	28,080,003.00
TOTAL		670,194,453.63	670,194,453.63

2.116

As a result of exclusion of these loans from the Statement, we concluded that the total debt of the Government of St. Vincent and the Grenadines as at December 31, 2011 has not been disclosed in the Statement of Public Debt.

**STATEMENT OF ASSETS AND LIABILITIES****LIABILITIES****CURRENT ACCOUNT**Overdraft at Bank

- 2.117 The Statement of Assets and Liabilities shows a bank overdraft of \$16,318,184.91, whereas the Certificate of Balances issued by the Bank of St. Vincent and the Grenadines as at December 31, 2011, reflects an overdraft of \$33,717,337.72, a difference of \$17,399,152.8. In the absence of bank reconciliation, the true cash position could not be accurately determined. The approved overdraft limit for the year ended 31st December, 2011, was \$75,000,000.00.

Crown Agent

- 2.118 The balance of \$500,355.02 on this Crown Agent account has remained unchanged from 2009.

Crown Agents Borrowing

- 2.119 The balance on the accounts remained unchanged from since 2000. The question as to the existence of this account has been highlighted in previous reports and recommendations were made for the account to be analysed and cleared from the accounts

Sub Treasuries

- 2.120 Differences were observed between the balances reflected in the manual cash book and the accounts for the Union Island and Canouan Sub Treasuries.



Table 2.41

SUB TREASURY	CASH BOOK	ACCOUNTS
Canouan	6,821.20	(8,093.94)
Union Island	18,172.60	(120,339.45)
TOTAL	24,994.30	128,433.29

121 No Board of Survey reports were seen in respect of cash on hand at the Sub – Treasuries at the end of the financial year.

LOANS

122 A total of \$990,972,694.30 classified as Loans on the Statement were comprised as follows:

- i. Treasury Bills – \$75,000,000.00
- ii. Domestic Bonds – \$176,928,572.53
- iii. Local Bank - \$56,849,667.59
- iv. External loans- \$584,182,228.18
- v. External Bonds - \$98,012, 226.00

123 Loans classified under ii and iii were reflected on the Statement of Public Debt prepared by the Accountant General whereas those classified under iv and v were included on the Schedule of Loans. However, the Treasury Bills were only reflected on the Statement of Assets and Liabilities.

Salary Clearing

124 The salary clearing account is used as a clearing account for the processing of monthly salaries. When salaries are processed, and the adjusting entries made to the respective accounts (e.g Current Account, Personal Emoluments, the account should reflect a zero balance at the end of the process). There are currently two (2) salary accounts reflected on the Statement. The



balance of \$29,065.76 represents amounts brought over from the old Accounting System-TREACC, and the amount of \$28,024.26 represents balance on the SMARTSTREAM Accounting System.

- 2.125 The Accountant General should make the necessary investigations and have these balances cleared from the Treasury accounts.

ASSETS

CASH

Sub Treasuries

- 2.126 The balance of \$22,966.64 represents cash held by three (3) Sub Treasuries namely, Georgetown, Barrouallie and Bequia at the end of the financial year.

Crown Agents and JCF

- 2.127 The Statement shows an aggregate balance of \$3,210,491.20 as at December 31, 2011. There have been no transactions on the Crown Agents and the Joint Consolidated Fund for several years and the Accountant General should take steps to have these accounts analysed and the necessary adjustments made.

In- Transit – Union Island

- 2.128 The In-transit accounts records funds remitted by the Accountant General's Office for the running of the sub treasuries and should zero out at the end of the financial year. The Union Island Sub-Treasury was the only Sub-Treasury with a year-end balance. The balance shown on this account as at December 31, 2011, was \$221,221.55. This is an indication that there may



be several errors within the accounts which may be due to incorrect classification or monies not being transferred to the correct cash account.

Cash on Hand - Bank \$3,343,516.55

29 This balance of \$3,343,516.55 comprises the balance on several bank accounts held by the Bank of St. Vincent and the Grenadines (BOSVG) on behalf of the Accountant General. The aggregate cash balance shows a net decrease of \$32,251,963.70 over the 2010 year end balances. The net decrease was attributable to several transfers made from these accounts to the Accountant General Current Account and Development Account.

Cash – Short Term Deposit

30 This balance of \$8,453,527.32 is comprised of three (3) accounts held at the Bank of St Vincent and the Grenadines. Transactions during the year represented, interest earned and transfers to and from the Current Account and Development Account. The aggregate balance at the end of the financial year reflected a net decrease of \$8,688,418.92 over the 2010 year end balances.

CONSOLIDATED FUND

31 The deficit of \$8,543,649.64 on the Budget Out Turn for the financial year was transferred to the Consolidated Fund. Additionally adjustments totalling \$176,085,668.43 was charged against the Consolidated Fund resulting in a balance of \$235,981,803.11 as at December 31, 2011.

**CHAPTER 3****MINISTRIES AND DEPARTMENTS**

- 3.1 Audit examinations were carried out at several Ministries and Departments for the financial year. The significant audit findings are highlighted below.

AUTONOMOUS DEPARTMENTS**Family Court**

- 3.2 The records at the Family Court were satisfactorily maintained, however, delinquency in the payment of child maintenance is a recurring issue at the Family Court. As a result, several persons were in default of child maintenance for the financial year.

Magistracy

- 3.3 Several suits which were disposed of in the three (3) Magisterial Districts were not produced for audit examination. There were several instances where the appropriate Order Books were not signed by the Magistrate to confirm the judgement, convictions and orders recorded therein, as required by Law. The omission of critical information from the records maintained rendered it difficult to ascertain whether the Magistrates Orders were executed e.g. collection of fees or fines or incarceration of defendants in cases of default of payments. Further, it appears that warrants were not always issued to defaulters.

**Service Commissions Department**

3.4 The unavailability of several personal files requested for auditing made it impossible for the requisite leave checks to be executed.

3.5 The absence of approved documented guidelines for the computation of leave eligibility, led to inconsistencies in the method used for the calculation of vacation leave eligibility. Further, there were numerous arithmetic errors resulting in the under and overstating of leave.

3.6 It is a requirement that Public Officers and other persons who are granted scholarships, bursaries or study leave to pursue studies at tertiary institutions enter into a bond with the Government to return to the country to serve for the period stipulated in the Bond. The Department failed to produce bonds for audit examination for the period under review.

OFFICE OF THE PRIME MINISTER**Government Printery**

3.7 There was no improvement in the record keeping at the Government Printery despite the highlighting of shortcomings in several reports and recommendations made for improvement. The records required to account for the various operations were either not maintained or not properly maintained. Some records were devoid of pertinent information rendering it difficult for an audit to be completed on those records.

MINISTRY OF NATIONAL RECONCILIATION

3.8 The Ministry of National Reconciliation was created in 2011 and had four (4) programmes under its ambit namely; General Administration, Public Service, Agency for Public Information, National Broadcasting Corporation, Postal Corporation and Labour Department.



- 3.9 The Ministry had a revised of a budget of \$4,692,094.00 for the running of the Ministry. Subventions of \$600,000.00 and \$500,000.00 were paid to the National Broadcasting Corporation and the Postal Corporation respectively. A total of \$4,160,924.04 was spent for the financial year, realising a savings of \$531,169.96 on the revised budget.

MINISTRY OF FINANCE AND PLANNING

- 3.10 The Ministry of Finance and Planning is the administrative head for several departments including:

- Customs and Excise Department
- Inland Revenue Department
- Accounting Division

- 3.11 A total of \$224,698,516.00 was appropriated by Parliament to cover the expenses of the Ministry, from which an amount of \$208,283,012.64 was expended.

- 3.12 Eighty-four (84) Special Warrants were approved by the Ministry of Finance during the financial year.

Customs and Excise Department

- 3.13 Projections in the Estimates of Revenue and Expenditure showed that the Customs and Excise Department should have generated approximately 45% of the revenue required to finance Government's recurrent expenditure. The Department did not achieve its targeted collections of \$225,750,000.00; falling short by \$20,829,261.80, however, its actual collections contributed 42% of the total revenue collections for the financial year.

**Inland Revenue Department**

3.14

This Department is one of the major revenue collecting agencies of the Government. The responsibilities of this department include the collection of taxes on Income and Profits, Property taxes and various licences. Heads of Departments who are responsible for the collection of revenue are required to submit to the Accountant General, Annual Returns of Arrears of Revenue and Half Yearly Reports of Revenue Recovered for transmission to the Director of Audit. No returns were received by the Audit Office in respect of the year 2011, hence in the absence of an Annual Statement of Arrears of Revenue, it was not possible to determine what percentage of the current year's collection was attributable to

- Arrears of Revenue
- Current Revenue

MINISTRY OF NATIONAL SECURITY**E T Joshua Airport**

.15

The issue of uncollected amounts for the rental of office space, advertising posters and electronic signs continues to be a pertinent issue at the E T Joshua Airport. Further, in the absence of lease agreements for rental of space, it was not possible to verify whether the terms and conditions of the lease were being met. The Accounting Officer need to take steps to rectify the short comings and to ensure prompt collection of the arrears.

Police*Leave*

.16

Several errors were detected in the examination of leave records maintained at the Central Police Station. Errors included the following:

- Miscalculation of vacation leave



- Incorrect computation of leave eligibility.
- Absence of medical certificates to verify sick leave period
- Absence of resumption forms following the conclusion of vacation and sick leave

3.17 Further, there were instances in which sick leave on full pay for a period exceeding twenty-eight days was granted to officers without the requisite approval, contrary to CAP 391 of the Police Regulations, Regulation 166 (1), (a) and (b).

Stores

3.18 Stores Rule No. 68 states that the issue of stores should be supported by Stores Issue Vouchers. There were several instances in which no supporting Stores Issue Vouchers were produced to substantiate the issue of stores. It was indicated that stores were occasionally issued based upon the verbal authorization of senior officers of the Police Department or upon the judgment of the storekeeper. This is clearly a breach of the instructions laid out in the Store Rule. There were differences between the balances recorded in the Stores Ledger and the stock on hand.

Grenadines Administration

Union Island

3.19 The increasing level of arrears of revenue arising from lack of enforcement continues to prevail at the Union Island and Bequia Revenue Offices. This is a matter of grave concern and the Accounting Officers should ensure that mechanisms are in place to ensure collection of arrears from defaulters.



3.20 The records show that there were significant amounts of arrears in respect of following revenue items.

- Property Tax
- Land and House Tax
- Sale of Crown Lands
- Crown Land Rent
- Rental of Space – Offices and Shops
- Motor Vehicle Licences
- Drivers License
- Liquor License

3.21 Examination of records maintained at the Customs and Excise Department, Union Island, revealed that issues of omission of the activity from Yacht Declaration Forms and the non-squaring of Manifest and Customs Declarations continue to exist during the period of review. The Customs and Excise Department needs to exercise due care and attention in the execution of duties to ensure the activity is recorded on the Yacht Declaration Forms in order to enable the verification of fees collected and that the Customs Declarations are squared with the manifest to ensure that all dutiable goods landed have been subjected to Customs Duties(Import Duty, Consumption Tax and Customs Service Charge.

3.22 It is imperative that the issues detected at the Union Island and Bequia Offices be treated with utmost importance by the relevant Accounting Officers, considering the potential financial implication

**MINISTRY OF TRANSPORT AND WORKS**

- 3.23 Shortcomings which featured in several audit reports continue to exist indicating that corrective actions were not taken. The most significant shortcomings were identified at the Public Works Stores.

Public Works Store

- 3.24 Our attempt to audit and report on the operations at the Public Works Unallocated stores was unsuccessful due to the poor maintenance of records. Our examination of the expenditure account in Smart Stream revealed that an amount of \$393,887.65 was spent to purchase material for the Unallocated Stores during the financial year; however, it could not be ascertained whether the purchased items were used for the purposes intended.

MINISTRY OF HEALTH AND THE ENVIRONMENT

- 3.25 The shortcomings as reported in my Annual Report of 2009 and 2010 existed in 2011 therefore my comments remain the same. Comments can be found at paragraphs 3.35 – 3.40 of my 2009/2010 report.

MINISTRY OF FOREIGN AFFAIRS**Trade**

- 3.26 The records were generally maintained in accordance with the various Regulations. However, the exclusion of vital information from the application forms made it difficult to ascertain if the fees paid were in accordance with the Price and Distribution of Goods Act.



Overseas Offices

3.27

During the financial year, a total of \$3,404,227.20 was remitted to cover the cost of the operations of the Overseas Missions, Embassies and Consulates for the period July 2010 – September 2011. The amounts remitted were as follows:

Table 3.1

OFFICE	AMOUNT
London High Commission	494,609.00
Washington Mission	542,464.00
New York Mission	584,682.20
New York Consulate	616,733.00
Toronto Consulate	683,850.00
SVG Embassy - Cuba	481,889.00
	3,404,227.20

3.28

The issues common to all the overseas offices were;

- The late remittance of funds resulted in penalties being incurred for the Offices late payment of goods and services.
- The non or late reimbursement of funds spent on behalf of Government Offices or Officials, which impacted negatively on the Offices budget, since these were expenses that were not budgeted for.
- Shortfalls in salaries due to fluctuating exchange rates at the London and Canada offices were quite often met from operating funds, resulting in the further depletion of the Offices' limited funds.
- Provision of Consular Services provided by the Missions and Consulates provides additional revenue, however, these fees are not governed by any regulation and therefore the Accounting Officer should seek to obtain the necessary regulations.

3.29

Advances should be cleared on a monthly basis in order to prevent the accumulation of large outstanding balances and to ensure that funds expended are brought to account in a timely



manner in the year in which they relate. However, due to the late processing of the monthly expenditure in the accounts, the balances on the individual advance accounts do not reflect the correct balances. Further, there were instances in which refunds were made, however, the necessary adjustments were not made to the Advance accounts. Several requests were made to the Ministry of Foreign Affairs and the Accounting Division to work collaboratively in having the accounts analysed, the expenditure processed and cleared from the Advance Account. It appears that this was not done as the Advance Accounts still reflect large balances.



CHAPTER 4

OTHER AUDITS

4.1 Audits were conducted at the Kingstown Town Board and the Financial Intelligence Unit for the Financial Year.

KINGSTOWN TOWN BOARD

4.2 A compliance audit was conducted at the Kingstown Town Board to provide reasonable assurance that (i) revenue was collected in accordance with applicable regulations and was brought promptly to account. (ii) the funds expended was used for the purposes intended, (iii) personnel matters such as salaries and allowances paid and vacation leave earned and granted were in accordance with Governing regulations.

4.3 The significant audit findings are highlighted below:

- Lease agreements were not entered into between Kingstown Town Board and some tenants for the rental of lands and shops.
- The register was not updated to reflect transfers of ownership of the market shops between tenants.
- Several shop owners were in arrears of rent for the financial year.
- Tax on property remained outstanding by several property owners for the financial year.
- The Kingstown Town Board Act (Subsidiary Legislation), Section 5, states "Every Commercial agency carrying on business within the limits of the town of Kingstown shall pay to the board annual tax of two hundred and forty dollars, in such manner and to such person and within such time as the board may direct". There was no proper



system in place at the Kingstown Town Board, to effectively account for Commercial Agencies and the annual tax collected. As a result, it was not possible to determine the number of agents registered, payments made and the amounts outstanding for the year under review.

- All items procured by the Kingstown Town Board were not taken on charge in the Stores Ledger.
- There were no Value Added Tax (VAT) records produced for audit inspection for the financial year 2011.
- There were several employers for whom no letters of appointments were issued; therefore, it was not possible to determine terms and conditions of employment and verify same.
- Due care was not taken in the processing of leave; as a result, the following recurrences were noted
 - The leave schedules on files were not always updated to reflect current leave eligibility;
 - There were incorrect calculations of leave eligibility;
 - Personal files were devoid of resumption of duty forms following the conclusion of vacation, sick or special leave;
 - Some files did not contain application forms for vacation leave granted to officers; and
- There were no annual financial statements prepared as required by Kingstown Town Board Act.

4.4 In response to the findings, The Warden has indicated that measures are being put in place to correct the shortcomings highlighted.

**FINANCIAL INTELLIGENCE UNIT**

4.5 The Financial Intelligence Unit was established in Saint Vincent and the Grenadines in May 2002, in accordance with the terms of the Financial Intelligence Unit Act 2001.

The functions of the FIU include:

- Receipt and analysis of suspicious transactions reports that are required to be made under the Proceeds of Crime and Money Laundering (Prevention (Act), Act No 39 of 2001.
- Collection of information from financial institutions and other relevant bodies for the purpose of investigating relevant offences
- Investigation of relevant offences
- Dissemination of information
- International cooperation in the exchange of financial information
- Awareness raising and education of financial and business institutions on their obligation to detect, prevent and deter money laundering and associated offences.

4.6 The FIU works in close partnership with other national agencies to ensure that the country has a comprehensive anti-money laundering system that identifies and effectively addresses suspected illegal activity

4.7 A compliance audit was conducted at the Financial Intelligence Unit to provide reasonable assurance that (i) the accounting and related records were properly maintained, thereby allowing reliance to be placed on the records generated by the Financial Intelligence Unit; (ii) funds approved, disbursed and appropriated were used for the purposes intended; and to review the adequacy of the system for controlling the accounting for expenditure by the Financial Intelligence Unit.



- 4.8 The audit examination included reviewing: expenditure files, monthly schedule, bank records, personal files (leave eligibility) and statement of receipts and payments.
- 4.9 During the financial year, a total of \$962,000.00 was received by the Financial Intelligence Unit to meet the operating expenses of the Office. The expenditure recorded for the year was \$872,282.00. However, there was a lack of supporting documentation to justify expenditure in some instances.
- 4.10 A copy of the draft report was submitted to the Director of the Financial Intelligence Unit, for review and comments. No response was received.
- 4.11 Our examination confirmed that funds approved and disbursed to meet the operating expenses of the Financial Intelligence Unit, were accounted for and used for the purposes intended during the financial year. However, there is need for improvement in the maintenance of the accounting and relating records and in the documenting of decisions.

**OUTSTANDING QUERIES FOR THE YEAR 2011**

DEPARTMENT	NO. ISSUED	NO. SETTLED	NO. CLOSED	OUTSTANDING
Accountant General	49	33	1	15
Chief Magistrate	5	0	0	5
National Mobilization	1	0	0	1
Administrative Officer/ Canouan	1	1	0	1
Government Printer	2	0	0	2
Comptroller Inland Revenue	3	1	0	2
President Family Court	1	0	0	1
PS/ Agriculture	1	0	0	1
Legal Affairs	1	0	0	1
Governor General	1	0	0	1
TOTAL	65	35	1	29



The following is a summary of the queries outstanding in respect of the last five (5) years.

DEPARTMENT	2006	2007	2008	2009	2010
Chief Magistrate	4	2	2	---	4
Chief Personnel Officer	2	---	---	12	1
PS/Prime Minister's (Cab. Sec.)	---	---	---	1	---
Government Printer	1	---	---	---	1
Attorney General	---	---	---	1	---
Commissioner of Police	---	5	---	---	---
PS/Social Development	7	---	---	5	4
Finance	5	1	---	2	---
Director of Planning	---	---	---	---	---
Accountant General	75	95	132	71	15
Comptroller of Customs & Excise	1	9	1	1	---
Comptroller, Inland Revenue	1	1	---	---	---
Washington Mission	---	---	---	6	---
Warden, Kingstown Town Board	---	--	2	---	---
Ministry of Education	3	---	11	9	---
Ministry of Agriculture	9	---	1	3	2
Min. of Transport Works & Housing	1	--	2	6	---
Director of Airports	---	6	---	5	2
Min. of Health & the Environment	4	7	---	---	1
Milton Cato Memorial Hospital	---	---	---	---	---
Superintendent of Prisons	7	---	---	---	---
Ministry of Foreign Affairs & Trade	8	14	3	---	---
Clerk, House of Assembly	1	---	---	---	---
District Officer Southern Grenadines	2	5	10	6	10
Canouan Revenue Office	---	1	4	3	---
Georgetown Revenue Office	---	1	2	---	1
President, Family Court	4	2	1	---	---
PS/National Security	7	21	---	3	4
Bequia Revenue Office	4	10	4	7	4
Director, Financial Intelligence Unit	---	4	---	---	---

**ARREARS OF REVENUE RETURNS – 2011**

DEPT	ACCOUNT	DESCRIPTION	AMOUNT	REMARKS	
INLAND REVENUE	11001	Income Tax		None Submitted	
	11002	Corporate Tax		None Submitted	
	11003	Income Tax Withholding Tax		None Submitted	
	12001	Property Tax - Union Island		None Submitted	
	12002	Estate & Succession Duty		None Submitted	
	14005	Hotel Tax		None Submitted	
	13006	Travel Tax		None Submitted	
	14007	Entertainment Tax		None Submitted	
	15007	Vehicles Licence – Union Island		None Submitted	
	15005	Liquor Licence Union Island Bequia Canouan			None Submitted
				None Submitted	
				None Submitted	
				None Submitted	
				None Submitted	
				None Submitted	
				None Submitted	
				None Submitted	
				None Submitted	
				None Submitted	
	15099	Other Licence – Tutors		None Submitted	
15008	Professional Licence		None Submitted		
15006	Drivers Licence Union Island Canouan			None Submitted	
			None Submitted		
			None Submitted		
			None Submitted		
14004	Insurance Premium Tax		None Submitted		
14011	VAT		None Submitted		
CUSTOMS	13001	Import Duties		None Submitted	
	13003	Consumption Duties- Local		None Submitted	
	13004	Customs Service Charge		None Submitted	
	16007	Personal Fees Rev. Officers		None Submitted	
	17011	Warehouse Rent		None Submitted	
	16012	Merchant Shipping		None Submitted	
MINISTRY OF HOUSING	17014	Crown Lands Rent - Union Island		None Submitted	



DEPT	ACCOUNT	DESCRIPTION	AMOUNT	REMARKS
JUDICIAL		Fees/Forfeitures		None Submitted
MEDICAL	16022	Hospital Rental Nurses Hostel		None Submitted None submitted
AGRICUL-TURE	18007	Sale of Plants /Seeds Campden Park		None Submitted None Submitted
	18009	Fishing Operations - Grenadines		None Submitted
PUBLIC WORKS	16018	Electrical Inspection Soils Laboratory		None Submitted
	17017	Royalties		None Submitted
	18011	Sale of Stores & Equipment		None Submitted
AIRPORT	16019	Landing Dues		None Submitted
	16020	NAVCOM Charges		
	17012	Rental of Government Property		None Submitted
TELECOM	15010	Telecom & Broadcast Licence		None Submitted
MAGISTRATES FAMILY COURT		Fees, Fines and Permits Fees, Fines and Permits	\$324,416.70	2010/2011



**STATEMENT OF LOSSES DUE
TO FRAUD, THEFT OR NEGLIGENCE
SINCE THE DATE OF LAST REPORT 2010**

Appendix III

A. REQUIRED BY REGULATION TO BE REFERRED TO CABINET

DEPT. & PARTICULARS OF LOSS	GROSS AMT. INVOLVED	AMOUNT RECOVERED	PRESENT STATUS
Ministry of Health			
<i>Overpayment of Salary</i>	17,505.40	Nil	Resigned
	21,074.83	Nil	Resigned
	25,146.34	Nil	Resigned
	769.55	Nil	Resigned
	1,798.00	Nil	Resigned
	44,175.55	Nil	Resigned
	1,358.71	Nil	Resigned
	2,698.00	Nil	Resigned
	15,546.00	Nil	Resigned
	3,418.00	Nil	Resigned
	5,293.00	Nil	Resigned
	2,871.69	Nil	Resigned
	3,047.97	Nil	Resigned
	6,675.87	Nil	Resigned
	2,224.00	Nil	Resigned
	7,085.00	Nil	Resigned
	3,803.00	Nil	Resigned
	5,311.00	Nil	Resigned
	2,083.00	Nil	Resigned
	3,259.00	Nil	Resigned
	3,169.14	Nil	Abandonment
	3,281.00	Nil	Resigned
Ministry of Housing			
<i>Overpayment of Salary</i>	4,852.75	Nil	Abandonment
Inland Revenue Department			
<i>Overpayment of Salary</i>	4,605.81	Nil	Resigned



DEPT. & PARTICULARS OF LOSS	GROSS AMT. INVOLVED	AMOUNT RECOVERED	PRESENT STATUS
<u>Ministry of Finance</u> <i>Overpayment of Salary</i>	4,073.00	Nil	Resigned
<u>Ministry of National Mobilisation</u> <i>Overpayment of Salary</i>	1,802.63	Nil	Terminated
	3,701.00	Nil	No Pay Study Leave
<u>Customs and Excise</u> <i>Overpayment of Salary</i>	683.29	Nil	Terminated
	1,338.00	Nil	Abandonment
	3,222.74	Nil	Resigned
	1,685.74	Nil	Resigned
	564.00	Nil	Abandonment
<u>Office of the Prime Minister</u> <i>Overpayment of Salary</i>	2,638.00	Nil	Resigned
<u>Ministry of National Security</u> <i>Overpayment of Salary</i>	548.82	Nil	Resigned
	3,920.00	Nil	Terminated
	3,505.61	Nil	Resigned
	3,348.34	Nil	Terminated
	1,334.86	Nil	Resigned
	3,348.34	Nil	Terminated
	5,241.61	Nil	Resigned
	2,194.06	Nil	Abandonment
	4,933.90	Nil	Resigned
	21,640.19	Nil	Terminated
	1,537.90	Nil	Terminated
	7,702.06	Nil	Abandonment
	21,750.67	Nil	Terminated
<u>Ministry of Transport and Works</u> <i>Overpayment of Salary</i>	1,404.00	Nil	Resigned



**STATEMENT OF LOSSES DUE
TO FRAUD, THEFT OR NEGLIGENCE
SINCE THE DATE OF LAST REPORT 2010**

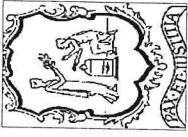
B. NOT REQUIRED BY REGULATION TO BE REFERRED TO CABINET

DEPT. & PARTICULARS OF LOSS	GROSS AMT. INVOLVED	AMOUNT RECOVERED	PRESENT STATUS
<u>Ministry of Health</u> <i>Overpayment of Salary</i>	112.14	<i>Nil</i>	<i>Abandonment</i>
<u>Ministry of Agriculture</u> <i>Overpayment of Salary</i>	69.76	<i>Nil</i>	<i>Resigned</i>
<u>Ministry of National Security</u> <i>Overpayment of Salary</i>	267.23	<i>Nil</i>	<i>Resigned</i>
	329.90	<i>Nil</i>	<i>Resigned</i>
	303.22	<i>Nil</i>	<i>Resigned</i>



STATEMENT OF AUTHORITIES FOR EXPENDITURE 2011

ESTIMATES:	Passed in the House of Assembly 20 th January, 2011
APPROPRIATION ACT:	Enacted as Act 1/2011
GENERAL WARRANT:	Signed by the Honourable Minister of Finance
SPECIAL WARRANTS:	Eighty four (84) Special Warrants were approved for a total of \$23,978,216.92
VIREMENT WARRANT:	A total of one hundred and forty seven (147) Virement Warrants were approved to re-allocate a total \$2,658,443.73.
SUPPLEMENTARY APPROPRIATION:	Supplementary Appropriation to date was as follows Appropriation Act No. 16 of 2013 - \$23,854,921.00
LOAN MONIES:	Amount Expended from Loan Funds were as follows: Local Loans \$16,514,343.82 CDB \$3,991,374.24 Other Loans \$25,992,214.98



Government of St. Vincent and the Grenadines
Annual Abstract Account Statement of Recurrent Revenue
as at December, 2011

Standard Object Code	Description	Estimates	Revised	Actual	Less Than Est	More Than Est.
110	Taxes on Income and Profits	117,500,000.00	117,500,000.00	114,397,916.72	3,102,083.28	0.00
120	Taxes on Property	6,200,000.00	6,200,000.00	2,814,201.94	3,385,798.06	0.00
130	Taxes on International Trade and Transactio	194,440,000.00	194,440,000.00	172,579,733.44	21,860,266.56	0.00
140	Taxes on Domestic Goods and Transactions	117,200,000.00	117,200,000.00	98,907,148.17	18,292,851.83	0.00
150	Licenses	28,835,000.00	28,835,000.00	23,439,480.39	5,395,519.61	0.00
160	Fees, Fines and Permits	21,700,500.00	21,700,500.00	17,670,237.15	4,030,262.85	0.00
170	Interest, Rent and Dividends	10,257,600.00	10,257,600.00	11,160,453.21	0.00	902,853.21
180	Other Revenues	8,651,355.00	8,651,355.00	21,508,678.07	0.00	12,857,323.07
Total Recurrent Revenue		\$504,784,455.00	\$504,784,455.00	\$462,477,849.09	56,066,782.19	13,760,176.28

Examined: 

Director of Audit
Audit Department
ST. Vincent W.I.
Date 6/12/2017

Examined: 

Accountant General
Treasury Department
ST. Vincent W.I.
Date 6/12/2017



Government of St. Vincent and the Grenadines

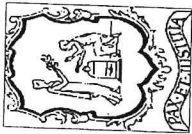
Annual Abstract Account Statement of Recurrent Expenditure

as at December 2011

Ministry	Estimates	Revised	Actual	Less than Estimated	More than Estimated
1 Autonomous Departments	24,670,700.00	24,824,967.00	24,388,300.96	436,666.04	0.00
10 Office of the Prime Minister	14,199,428.00	16,079,348.00	13,783,394.24	2,295,953.76	0.00
15 Ministry of Reconciliation	4,671,594.00	4,692,094.00	4,160,924.04	531,169.96	0.00
20 Ministry of Finance and Economic Planning	223,317,368.00	224,698,516.00	208,283,012.64	16,415,503.36	0.00
30 Ministry of National Mobilisation, ETC	29,262,536.00	29,300,207.05	26,892,619.78	2,407,587.27	0.00
35 Ministry of Education	106,775,180.00	107,098,862.00	99,608,023.32	7,490,838.68	0.00
40 Ministry of National Security	52,288,098.00	53,655,908.00	51,160,027.92	2,495,880.08	0.00
45 Ministry of Agriculture, Forestry and Fisheries	18,860,355.00	21,527,284.00	18,014,130.54	3,513,153.46	0.00
55 Ministry of Transport and Works	30,811,830.00	32,068,782.00	29,988,814.35	2,079,967.65	0.00
65 Ministry of Health and the Environment	62,492,867.00	66,541,040.50	62,380,740.50	4,160,300.00	0.00
70 Ministry of Housing, Informal Settlements, ETC.	10,044,910.00	10,554,910.00	9,746,077.79	808,832.21	0.00
75 Ministry of Legal Affairs	2,200,069.00	3,325,772.00	2,567,808.09	757,963.91	0.00
85 Ministry of Foreign Affairs, Commerce and Trade	11,063,194.00	11,652,702.00	9,218,786.88	2,433,915.12	0.00
90 Ministry of Tourism, Youth and Sports	19,161,001.00	19,161,001.00	10,817,497.74	8,343,503.26	0.00
Grand Total	609,819,130.00	625,181,393.55	571,010,158.79	54,171,234.76	0.00

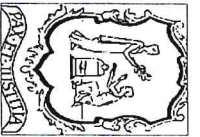
Examined:
 Director of Audit
 Audit Department
 ST. Vincent W.I.
 Date: 6/12/11

Examined:
 Accountant General
 Treasury Chambers
 St. Vincent W.I.
 Date: 6/12/11




Government of St. Vincent and the Grenadines
Annual Abstract Account Statement of Capital Revenue
as at December 2011


Account	SOF	Description	Estimates	Revised	Actual	Less Than Es	More Than Est.
21001	1011	Sale of Land	1,000,000.00	1,000,000.00	1,438,063.19	0.00	438,063.19
21001	1031	Sale of Land	24,000,000.00	24,000,000.00	0.00	24,000,000.00	0.00
21101	1031	Sale of Assets	0.00	0.00	7,412,000.00	0.00	7,412,000.00
22001		Local Revenue	0.00	0.00	1,499,995.00	0.00	1,499,995.00
22001	1031	Other Capital Receipts	115,708,564.00	115,708,564.00	0.00	115,708,564.00	0.00
22201	1062	Grant	200,000.00	200,000.00	0.00	200,000.00	0.00
22201	2144	Grant	5,055,300.00	5,055,300.00	878,219.25	4,177,080.75	0.00
22201	2145	Grant	6,542,000.00	6,542,000.00	0.00	6,542,000.00	0.00
22201	2164	Grant	100,000.00	100,000.00	201,156.47	0.00	101,156.47
22201	2175	Grant	2,000,000.00	2,000,000.00	0.00	2,000,000.00	0.00
22201	2195	Grant	40,000.00	40,000.00	2,911,962.99	0.00	2,871,962.99
22201	2197	Grant	27,100,020.00	27,100,020.00	0.00	27,100,020.00	0.00
22201	3275	Grant	7,190,010.00	7,190,010.00	3,990,495.81	3,199,514.19	0.00
22201	3277	Grant	10,600,030.00	10,600,030.00	0.00	10,600,030.00	0.00
22201	3315	Grant	3,450,900.00	3,450,900.00	0.00	3,450,900.00	0.00
22201	3375	Grant	0.00	0.00	2,699,995.00	0.00	2,699,995.00
22201	3506	Grant	10,719,000.00	10,719,000.00	0.00	10,719,000.00	0.00
22201	3524	Grant	200,000.00	200,000.00	0.00	200,000.00	0.00



Government of St. Vincent and the Grenadines
Annual Abstract Account Statement of Capital Revenue
as at December 2011

Account	SOF	Description	Estimates	Revised	Actual	Less Than Es	More Than Est.
22201	3544	Grant	440,000.00	440,000.00	301,067.30	138,932.70	0.00
22201	3604	Grant	32,312,040.00	32,312,040.00	24,879,004.74	7,433,035.26	0.00
22201	3684	Grant	1,600,000.00	1,600,000.00	350,000.00	1,250,000.00	0.00
22301	1062	Loans	33,200,970.00	33,200,970.00	52,500,000.00	0.00	19,299,030.00
22301	2145	Loans	0.00	0.00	4,886,163.06	0.00	4,886,163.06
22301	2197	Loans	0.00	0.00	51,075,778.40	0.00	51,075,778.40
22301	3506	Loans	0.00	0.00	3,232,983.76	0.00	3,232,983.76
22301	3604	Loans	2,275,000.00	2,275,000.00	0.00	2,275,000.00	0.00
22301	3746	Loans	0.00	0.00	14,252,884.57	0.00	14,252,884.57
Total Capital Revenue			283,733,834.00	283,733,834.00	172,509,769.54	218,994,076.90	107,770,012.44

Examined: 
 Director of Audit
 Audit Department
 ST. Vincent W.I.
 Date 6/12/11

Examined: 
 Accountant General
 Treasury Department
 ST. Vincent W.I.
 Date 6/12/2011

ST. VINCENT AND THE GRENADINES

STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2011

LIABILITIES		ASSETS			
CURRENT ACCOUNT		CASH			
51001	Overdraft at Bank	\$ 16,318,184.91	51502-51505	Sub-Treasuries-G/town, Bequia & B'lie	\$ 22,966.64
51506	Crown Agent	\$ 500,355.02	52005+52006	Crown Agents & JCF	\$ 3,210,491.20
72001	Crown Agents-Borrowing	\$ 2,206,646.32	52003	In Transit-Union Is.	\$ 221,221.55
51013-51014	Unreconciled Cash	\$ 23,505,351.39	51004-51018	Cash on Hand-Bank	\$ 3,343,516.55
51504+51507	Sub-Treasuries-Union Is. & Canouan	\$ 128,433.29	52501-52519	Cash-Short- Term Deposit	\$ 8,453,527.32
		\$ 42,658,970.93			\$ 15,251,723.26
LOANS			ADVANCES		
71501	Treasury Bill	\$ 75,000,000.00			
81005-81012	Domestic Bonds	\$ 176,928,572.53	53501-53512	Other Government	\$ 2,018,280.76
82003+-82009	Local Bank	\$ 56,849,667.59	55001-55099	Public Officers	\$ 454,212.69
83001-83018	External Loans	\$ 584,182,228.18	55501-55599	Others	\$ 21,986,598.18
84001-84005	External Bonds	\$ 98,012,226.00	56001-56098	Imprests	\$ 205,381.73
					\$ 24,664,473.36
DEPOSITS					
73101	Statutory Bodies	\$ 11,608,215.50	54501	Returned Checks	\$ 498,239.30
76599	Development Aid Grant	\$ 349,959.40	55101	Departmental	\$ 363,140.54
73401	Local Government	\$ 33,087.10			\$ 861,379.84
73201	Departmental	\$ 40,414,938.01			
73301	Individual	3,443,468.29	65004	INVESTMENTS Sinking Fund	\$ 50,215,864.10
73501	ECCB	1,373,447.00	67002	Public Debt Investment	\$ 846,593,701.09
					\$ 896,809,565.19
ADVANCES					
73001-73011	Other Government Clearance A/Cs	\$ 560,395.67			
			53103	AG Balcombe, AG FD#8972	\$ 22,068.91
			53105	Canouan Development Fund	\$ 1,186,903.28
			53108	Bequia Agric. Improvement Fund	\$ 2,295.36
			53110-53111	Special D/Rights & Student Guarantee Fund	\$ 29,242,260.64
					\$ 30,453,528.19
75003	Accountant General - Balcombe	\$ 1,822,075.91			
75004	Electricity Dev. Reserve Fund	\$ 460,148.14			

**Government of St. Vincent and the Grenadines
Annual Abstract Account - Capital Expenditure**

as at December, 2011

Ministry	Description	Estimates	Revised	Actual	Less than Estimated	More than Estimated
10	Office of the Prime Minister	7,476,030.00	7,507,855.00	237,335.17	7,270,519.83	0.00
15	Ministry of Reconciliation	1,725,010.00	1,725,010.00	176,258.55	1,548,751.45	0.00
20	Ministry of Finance and Economic Planning	22,363,010.00	23,683,010.00	5,575,042.68	18,107,967.32	0.00
30	Ministry of National Mobilisation, ETC	3,632,000.00	3,632,000.00	200,680.01	3,431,319.99	0.00
35	Ministry of Education	33,206,820.00	35,039,222.00	20,662,809.93	14,376,412.07	0.00
40	Ministry of National Security	38,670,940.00	38,986,590.00	22,535,672.78	16,450,917.22	0.00
45	Ministry of Agriculture, Forestry and Fisheries	12,792,130.00	13,949,410.00	3,930,101.23	10,019,308.77	0.00
55	Ministry of Transport and Works	28,240,080.00	29,977,376.00	6,436,134.87	23,541,241.13	0.00
65	Ministry of Health and the Environment	17,718,010.00	18,065,010.00	4,563,534.03	13,501,475.97	0.00
70	Ministry of Housing, Informal Settlements, ETC.	4,540,000.00	6,540,000.00	4,213,115.75	2,326,884.25	0.00
75	Ministry of Legal Affairs	300,000.00	300,000.00	0.00	300,000.00	0.00
85	Ministry of Foreign Affairs, Commerce and Trade	399,110.00	399,110.00	65,650.24	333,459.76	0.00
90	Ministry of Tourism, Youth and Sports	7,606,010.00	7,606,010.00	3,924,774.24	3,681,235.76	0.00
		178,669,150.00	187,410,603.00	72,521,109.48	114,889,493.52	0.00

Examined:
 Director of Audit
 Audit Department
 ST. Vincent W.I. *W.I.*
 Date: *6/12/17*

Examined: *[Signature]*
 Accountant General
 Treasury Chambers
 St. Vincent W.I. *W.I.*
 Date: *6/12/17*





AUDIT OFFICE

**Halifax Street, Kingstown
ST.VINCENT AND THE GRENADINES
WEST INDIES**

Tel: (784) 457-1541, (784) 457-2563

Fax: (784) 451-2190

E-mail: office.audit@gov.vc