



Report of the Director of Audit on the Public Accounts of Antigua and Barbuda for the Financial Year ended 31st December, 2011

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ACKNOWLEDGEMENT

I would like to express my gratitude and sincere appreciation for the work and support of the Audit Staff, whose dedicated efforts have permitted the completion and submission of this report.

I also wish to thank the staff of the Government Printing Office for their cooperation and courtesies extended to the Director of Audit and Staff.



GOVERNMENT OF ANTIGUA AND BARBUDA

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Ref: No

4th November 2014

AUDITOR'S REPORT

To: The Honourable Members of the House of Parliament

Report on the Financial Statements

I have audited the accompanying Public Accounts of the Government of Antigua and Barbuda as at December 31, 2011 which comprises the Statements of Assets and Liabilities, Revenue and Expenditure, Special Fund, Deposit Funds, Public Debt, Contingent Liability and Advances as required by the Finance Administration Act, 2006 section 56.

Management's Responsibility for the Financial Statements

Under Part IX, 56 (2) of the Finance Administration Act, the Accountant General is responsible for preparing, maintaining and ensuring that a proper system of accounts is established and all public monies are accountable for and reflect the financial position of Antigua and Barbuda at the end of the financial year. Section 56(2) of the aforementioned Act requires the Accountant General, to sign and certify the Public Accounts and submit these statements to the Director of Audit, not later than six (6) months after the end of every financial year. The Accountant General's responsibilities include the maintenance of adequate accounting records and internal controls relevant to determine if these Public Accounts are free from material misstatements due to error or fraud in accordance with International Financial Reporting Standards.

Auditor's Responsibility

The Director of Audit's responsibility is to express an opinion on these Public Accounts. This audit was guided by the International Standards for Supreme Audit Institutions (ISSAI) issued by the International Organization of Supreme Audit Institutions (INTOSAI).

The audit was conducted using tests and other procedures that are considered necessary for reporting as required by the Constitution of Antigua and Barbuda Section 97 subsection 2b.

The audit involved performing procedures to obtain audit evidence to support the amounts and disclosures in the Public Accounts. An audit assessment is based on the auditor's judgment in determining the risk of material misstatements of the Public Accounts as well as the appropriateness of accounting policies used; the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Public Accounts. In making those risk assessments; the auditor considers internal controls relevant to the preparation and fair presentation of the financial statements with the view of designing audit procedures suitable under the given circumstances. This is not to be used for the purpose of expressing an opinion on the effectiveness of the internal control.

Basis for Disclaimer of Opinion

Although there has been some improvement in the quality of information presented in the 2011 financials, we found that there were many gray areas where policies and regulations were not fully adhere to. The whole issue of accountability and reliability is paramount in any financial institution and as such the financial statements of Antigua and Barbuda should be prepared and presented in a manner that promotes full disclosure.

My disclaimer opinion was based on the treatment and reporting requirement on the opening bank account balances, Accounts Payable, Revenue difference, no statement of losses and contingent liabilities. Additionally, an amount of \$59,686,544.75 which represents recurrent and capital expenditures did not have the required supplemental appropriation approval by the Parliament, therefore the processing and subsequent payment of these warrants over a number of years can be regarded as an illegal activity.

I did not find that the audit evidence present fairly the financial position of the Government of Antigua and Barbuda for the financial year ending 31st December 2011.

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Dean Evanson
Director of Audit

St Mary's & Temple Street
4th November 2014

Government of Antigua and Barbuda - Financial Statements - 2011					14-12-2012
Statement 1 - Consolidated Statement of Revenues & Expenditures					
for the year ended December 31, 2011					In EC \$
	2011- Original Budget	2011- Revised Budget	2011 - Actuals	2010 - Actuals	
Revenue					
Tax Revenue	104,150,000	104,150,000	88,080,064	115,173,765	
Income Tax Revenue	84,000,000	84,000,000	71,790,945	97,802,649	
Property & Land Tax Revenue	20,150,000	20,150,000	16,289,119	17,371,116	
Indirect Tax Revenue	527,996,053	527,996,053	439,821,726	433,327,283	
International Trade & Transactions Tax Revenue	153,535,392	153,535,392	104,075,319	98,557,279	
Taxes on Domestic Trade and Transactions	361,557,921	361,557,921	331,321,735	327,115,141	
Income from Business Licenses	4,198,696	4,198,696	2,122,361	3,474,245	
Income from Other Licenses	8,704,044	8,704,044	2,302,311	4,180,618	
Non-Tax Revenue	42,591,733	42,596,083	41,123,546	78,129,889	
Rent & Royalties	7,839,904	7,839,904	3,431,171	16,060,643	
Income from Sales of Chattels	28,717	28,717	28,717	-	
Interest on Investment	55,340	55,340	1,883,631	2,841,393	
Dividends Received	6,240,000	6,240,000	17,989,293	23,340,609	
Administrative Fees	10,023,056	10,023,056	8,078,650	8,723,288	
Service Fees	3,275,217	3,275,667	2,774,745	4,322,429	
Income from Postal Services	5,227,407	5,231,307	3,762,954	1,996,428	
Income from Printed Materials	109,513	109,513	119,560	92,217	
Income from Agriculture	273,050	273,050	159,116	3,317,984	
Other Commercial Operations	1,323,800	1,323,800	930,044	1,206,214	
Judicial Fines	1,390,027	1,390,027	1,128,143	2,214,753	

Government of Antigua and Barbuda - Financial Statements - 2011						14-12-2012
Statement 1 - Consolidated Statement of Revenues & Expenditures						
for the year ended December 31, 2011						In EC\$
	2011- Original Budget	2011- Revised Budget	2011 - Actuals	2010 - Actuals		
Fees & Costs of Court	185,702	185,702	33,025	112,997		
Repayments and Reimbursement Received	6,620,000	6,620,000	804,497	13,900,934		
Capital Revenue Other	20,214,259	20,214,259	195,974,241	214,454,645		
Local Resources						
External Resources	20,214,259	20,214,259	42,635,130	153,220,527		
Total Revenue	694,952,045	694,956,395	764,999,577	841,085,581		
Expenses						
Personnel Direct	242,659,616	248,953,448	235,298,316	240,518,239		
Personal Emoluments – Established Staff	133,280,830	136,210,593	131,238,764	134,232,364		
Personal Emoluments – Non Established Staff	109,378,786	112,742,855	104,059,552	106,285,875		
Personnel Indirect	58,645,708	60,868,789	53,564,221	46,047,165		
Allowances and Benefits – Established Staff	18,669,448	19,669,911	17,193,996	16,638,984		
Allowances and Benefits – Non -Established Staff	13,129,877	14,127,548	12,581,099	11,234,269		
Employer Contributions – Established Staff	11,330,571	11,330,571	10,080,054	12,677,415		
Employer Contributions – Non - Established Staff	9,290,967	9,290,967	8,319,754	1,963,365		
Other Personnel Costs	6,204,845	6,449,792	5,389,318	3,533,132		
Travel	2,779,343	3,414,958	3,072,299	3,260,032		

Government of Antigua and Barbuda - Financial Statements - 2011					14-12-2012
Statement 1 - Consolidated Statement of Revenues & Expenditures					
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	2011- Original Budget	2011- Revised Budget	2011 - Actuals	2010 - Actuals	
Travel Expenses	2,779,343	3,414,958	3,072,299	3,260,032	
Material & Supplies	19,351,938	20,379,005	13,092,537	13,497,685	
Food and Beverages	5,150,862	5,568,912	4,202,177	4,341,172	
Vehicle Supplies	3,751,811	3,811,211	3,234,841	3,030,313	
Printed Materials and Publishing Expenses	1,008,055	893,655	377,035	230,146	
Health, Medical and Laboratory Supplies	2,614,531	2,426,216	607,009	771,542	
Office, Computer Supplies and Equipment	4,488,858	5,202,989	3,167,008	3,526,356	
Agricultural related supplies	541,729	445,260	272,085	519,938	
Miscellaneous Materials and Supplies	1,192,253	1,127,923	658,840	552,172	
Official Documents and Consumables	603,839	902,839	573,541	526,045	
Services	110,134,576	122,717,838	96,388,260	112,596,867	
Public Awareness and Promotion Expenses	14,639,121	14,393,946	11,099,764	6,236,893	
Security Related Expenses	3,379,769	6,303,097	5,813,538	7,145,992	
Insurance	4,290,101	4,069,570	1,414,392	1,282,132	
IT Services and Supplies	2,665,131	2,561,212	576,851	1,412,033	
Sanitation Expenses	19,893,094	29,534,878	28,305,768	25,982,595	
Transportation and Mail Services	1,019,215	863,215	275,195	252,940	
Education, Training & Develop. Education, Training & Development	2,666,336	2,398,269	1,052,795	1,130,812	
Utilities	6,644,652	6,608,177	6,520,672	9,116,339	
Contributions & Subscriptions	11,978,593	10,563,549	4,729,616	5,287,071	
Professional and Consulting Services	7,774,688	8,287,959	6,420,312	9,814,226	
Rents and Leases	31,245,941	33,059,539	27,816,104	35,198,992	3

Government of Antigua and Barbuda - Financial Statements - 2011						14-12-2012
Statement 1 - Consolidated Statement of Revenues & Expenditures						
for the year ended December 31, 2011						In EC \$
	2011- Original Budget	2011- Revised Budget	2011 - Actuals	2010 - Actuals		
Social Services	45,000	19,000	2,400	2,000		
Miscellaneous Expenses	2,618,142	2,630,634	2,176,799	9,658,197		
Miscellaneous Reimbursments	1,274,793	1,424,793	184,056	76,646		
Repairs & Maintenance	5,900,405	6,243,607	4,895,365	8,634,010		
Repairs and Maintenance Buildings and Grounds	3,342,011	3,787,072	3,096,487	6,217,507		
Repairs and Maintenance Vehicles	1,266,530	1,343,170	1,117,832	1,156,558		
Repairs and Maintenance Miscellaneous	1,291,864	1,113,365	681,045	1,259,944		
Advances	125,000	125,000	106,222	187,716		
Bank Advances - Public Officer	125,000	125,000	106,222	187,716		
Transfers & Grants	165,772,289	173,946,966	157,499,747	167,924,598		
Gratuities	38,877,649	38,778,721	17,409,289	19,875,782		
Pensions	30,055,819	30,042,819	44,957,593	44,080,941		
Transfers and Grants	96,838,821	105,125,427	95,132,865	103,967,874		
Debt Service - Domestic	119,165,396	119,165,396	141,137,813	131,365,474		
Debt Service - Domestic	119,165,396	119,165,396	141,137,813	131,365,474		
Debt Service - External	69,085,964	69,085,964	68,269,995	49,981,678		

Government of Antigua and Barbuda - Financial Statements - 2011					14-12-2012
Statement 1 - Consolidated Statement of Revenues & Expenditures					In EC \$
for the year ended December 31, 2011					
	2011- Original Budget	2011- Revised Budget	2011 - Actuals	2010 - Actuals	
Debt Service - External	69,085,964	69,085,964	68,269,995	49,981,678	
Purchase of Assets	10,974,154	12,515,633	5,650,453	7,660,091	
Purchase of Vehicles, Heavy Vehicular Equipment and Marine Vessels	1,940,168	1,740,168	-	-	
Purchase of Office Equipment and Furnishings	3,553,700	4,515,512	2,601,836	1,206,433	
Purchase of Other Equipment	3,720,286	4,399,953	1,858,331	5,338,809	
Supplies & Spare Parts	1,760,000	1,860,000	1,190,286	1,114,849	
Purchase of Real Property & Real Estate	925,000	625,000	98,806	8,604,130	
Purchase of Assets and Real Estate	925,000	625,000	98,806	8,604,130	
Development Costs	37,845,109	38,505,613	9,222,570	31,977,667	
Project Related Costs	37,845,109	38,505,613	9,222,570	31,977,667	
Total Expenses	843,364,498	876,547,217	788,296,602	822,255,352	
Deficit(-)/Surplus(+)	(148,412,453)	(181,590,822)	(23,297,025)	18,830,229	

Accountant General

Accountant

Government of Antigua and Barbuda - Financial Statements - 2011			14-12-2012
Statement 2: Assets and Liabilities			
for the year ended December 31, 2011			
Assets	2011 - Actuals	2010 - Actuals	In EC\$
Cash in Hand			
Cash Account	2,150	21,394	
Short Term Deposit	43,397,112	21,250,798	
Bank Account	(96,462,258)	(55,986,470)	
Advances			
Advances - Other Governments	246,323	155,093	
Advances - Personal	1,248,934	1,255,674	
Advances - Departmental	6,144	6,144	A
Advances - Undefined	43,605,887		
Imprest			
Imprest - Departmental	450,850	230,850	
Drafts & Remittances	(33,177)	(33,071)	B
Drafts & Remittances			
Total Assets	(7,538,035)	(33,099,589)	
Liabilities			
Long Term Liabilities			
Domestic Loans	1,071,703,576	1,036,561,078	
External Loans	1,047,927,328	1,047,578,009	
Deposit			
Deposit-Oth. Deduc. from Sala.	412,846	166,908	
Deposit - Statutory Bodies	7,516,949	(1,483,574)	
Deposit - Departmental Account	(3,300,584)	(1,039,146)	
Deposit - Local Government	430,781	371,822	
Deposit - Other	1,683,142	871,236	
Deposit - Insurance & Banks	851,571	256,329	

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 2: Assets and Liabilities
for the year ended December 31, 2011

14-12-2012

	2011 - Actuals	2010 - Actuals
Deposit - Unions		
Accounts Payable	232,377	259,832
Other Funds	89,679,259	12,543,834
Special Funds		
Special Accounts	1,222,567	1,146,490
	20,722	7,983
Total Liabilities	2,218,380,533	2,097,240,801
Equity		
Surplus/Deficit		
Financing Adjustment	(82,990,638)	(65,031,531)
	(2,119,630,904)	(2,084,139,088)
Total Equity	(2,202,621,542)	(2,149,170,619)
Income/Loss (-) for the year		
	(23,297,025)	18,830,229
Total Liabilities and Equity	(7,538,035)	(33,099,589)

Note

- A. Advances not retired in 2010 have been reported.
B. Unused funds by Barbuda have been reported
C. This figure represents 2009, 2010, and 2011 payables. It includes an adjustment for 2009 payables which were not reported in 2010 statements.
D. The Surplus/Deficit is comprised of an accumulated amount including the years prior to 2010.
E. The Financing Adjustment equals the amount for Long Term Liabilities.


Accountant General


Accountant

Government of Antigua and Barbuda - Financial Statements - 2011			14-12-2012
Statement 3: Comparative Statement of Actual Revenues for 2010 & 2011			
for the year ended December 31, 2011			
	2011 - Actuals	2010 - Actuals	In EC\$
Income Tax Revenue	71,790,945	97,802,649	
Income Tax Companies	36,535,340	61,216,664	
Income Tax Self-Employed	499	-	
Tax on Gross Income of Unincorporated Businesses (2%)	22	200	
Contribution to Stabilization Fund	35,255,085	36,585,785	
Property & Land Tax Revenue	16,289,119	17,371,116	
Property Tax	16,014,937	17,265,432	
Non citizens Undeveloped Land Tax	29,572	45,239	
Land Value Appreciation Tax	244,610	60,445	
International Trade & Transactions Tax Revenue	104,075,319	98,557,279	
Import Duties	77,699,873	75,255,770	
Export Duties	224,448	15,281	
Travel Tax	6,201,088	4,471,761	
Embarkation Tax	15,603,482	13,742,575	
Cruise Passenger Tax	-	14,865	
Environmental Tax	2,427,146	3,136,161	
Money Transfer Levy	1,514,552	1,462,785	
Passenger Facility Charge	404,730	458,082	
Taxes on Domestic Trade and Transactions	331,321,735	327,115,141	
Entertainment Tax and Arrears	656,641	851,342	
Stamp Duties	29,227,300	31,181,484	
Consumption Tax	39,252,889	45,363,902	
Taxes on Foreign Currency Tran	0	-	
Guest Tax	12	-	
Insurance Levy	4,016,949	4,053,416	
Business Tax	3,000	-	
Customs Service Tax	25,792	5,462,636	
Other Licenses & Fees	331,134	565,597	
Antigua & Barbuda Sales Tax	189,281,183	175,456,499	
Revenue Recovery Tax	68,526,834	64,180,265	

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 3: Comparative Statement of Actual Revenues for 2010 & 2011
for the year ended December 31, 2011

14-12-2012

	2011 - Actuals	2010 - Actuals	In EC \$
Rent & Royalties	3,431,171	16,060,643	
Royalties - Public Works Dept	18,602	4,000	
Rental of Government Buildings and Lands	141,546	142,896	
Rents – Government Quarters and Furniture	27,106	156,986	
Warehouse Rents - Customs	74,170	14,281	
U.S. Bases Lease Agreement	2,733,750	3,645,000	
Royalties AB Notes and Coins	(62,100)	-	
Crown Land Leases	39,536	98,748	
Rents From Settlements by Agriculture	15,994	15,922	
Throughput Levy on Fuel Products	442,567	11,982,810	
Income from Sales of Chattels	28,717	-	
Sale of forfeited goods by Customs	28,717	-	
Interest on Investment	1,883,631	2,841,393	
Interest – Savings Bank	(10,829)	(0)	
Interest on Advances	289,958	352,487	
Interest on Bank Accounts	1,604,501	2,488,906	
Dividends Received	17,989,293	23,340,609	
Profits - Currency Authority	3,121,858	1,206,532	
Surplus Funds from Merchant Shipping Corp	6,600,000	2,700,000	
Share of Profits – State Insurance Corporation	8,267,435	19,434,077	
Income from Business Licenses	2,122,361	3,474,245	
Banking & Insurance Licences	724,000	1,026,500	
Liquor Licences	668,653	649,645	
Radio and Television Licences	16,000	30,883	
Telecommunications licenses and fees	312,523	1,398,242	
Casino Licences	376,000	335,000	
Professional Licence Fees	7,500	13,000	
Beach vendors' Licences	8,060	10,850	
Trade Licences	9,625	10,125	

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 3: Comparative Statement of Actual Revenues for 2010 & 2011
for the year ended December 31, 2011

14-12-2012

	2011 - Actuals	2010 - Actuals	In EC \$
Income from Other Licenses	2,302,311	4,180,618	
Motor Vehicle Licenses	1,613,860	3,462,245	
Firearm Licences	124,380	141,635	
Marriage Licence Fees	498,560	501,400	
Other Miscellaneous Licences	65,511	75,338	
Administrative Fees	8,078,650	8,723,288	
Permanent Residence Fees	465	-	
Registration and naturalization fees	352,600	303,470	
Sale of Passports	46,054	58,752	
Fees for Issuing of Visas	14,463	79,896	
Fees for certification of documents	9,300	10,388	
Examination Fees	29,626	106,780	
Sale of Syllabus	340	635	
School and College Fees	105,431	183,510	
Photocopying	233,209	197,661	
Police Certificate-Character	158,960	153,880	
Immigration Extension	2,596,958	2,671,980	
Police Reports	66,600	74,490	
Work Permits	3,780,455	4,260,441	
Registration & Examination fee	652,690	613,267	
Pesticide Registration Fee	31,500	8,137	
Service Fees	2,774,745	4,322,429	
Landing fees	106,502	1,760,836	
Parking fees VC Bird Airport	3,780	4,983	
Fees for DCA Services	465,178	620,814	
Public Car Park	-	750	
Customs Handling Charges	20,768	-	
Customs' Officers Fees	822,302	699,547	
Market Due and Fees	253,215	271,297	
Miscellaneous agricultural service fees	28,619	40,025	
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Government of Antigua and Barbuda - Financial Statements - 2011			14-12-2012
Statement 3: Comparative Statement of Actual Revenues for 2010 & 2011			
for the year ended December 31, 2011			
	2011 - Actuals	2010 - Actuals	In EC \$
Licensing & inspection fees - Veterinary Authority	131,411	118,187	
Slipway	13,409	16,125	
Fees for Fisherman ID Cards	3,430	3,100	
Fish Processing Plant License	135,189	92,007	
Local fishing vessel registration and licensing fees	39,280	34,748	
Laboratory fees	27,270	36,440	
Survey fees	92,758	138,756	
Miscellaneous Receipts	120,266	116,011	
Government Dispensaries	645	1,065	
Creche Receipts	2,280	4,050	
Maintenance of Mental Patients	36,800	18,000	
School Meals	344,502	345,690	
Immigration Fees	127,140	-	
Income from Postal Services	3,762,954	1,996,428	
Rental or Letter Boxes	455,669	152,244	
Transit Receipts	250,970	148,718	
Miscellaneous Postal Receipts	660	1,800	
Philatelic Sales	176	13,000	
Parcel Post Receipts	65,000	-	
Gains on Remittances	5,274	53,751	
Advice on Arrival of Parcels	11,176	6,834	
Storage Charges on Parcels	2,226	-	
Bulk Postage	188,851	55,815	
Receipts from Postal Meters	365,390	97,807	
Reimbursement of Compensation for loss of registered mail	17	-	
Letter Box Re-opening fee	4,195	5,100	
Commission on money and postal orders	522	699	
Sale of Stamps (Net)	2,392,457	1,438,936	
Express Services	20,370	21,726	

Government of Antigua and Barbuda - Financial Statements - 2011				14-12-2012
Statement 3: Comparative Statement of Actual Revenues for 2010 & 2011				
for the year ended December 31, 2011				
	2011 - Actuals	2010 - Actuals	In EC \$	
Income from Printed Materials	119,560	92,217		
Printing Services	54,985	60,107		
Sale of Customs Forms	64,575	32,035		
Sale of Maps	-	75		
Income from Agriculture	159,116	3,317,984		
Sale of Produce - Cades Bay	12,568	72,683		
Sale of Produce - Christian Valley	6,414	16,638		
Sale of Produce- Green Castle	37,385	35,520		
Sale of Livestock	9,422	4,004		
Sale of Ice	92,328	106,057		
Sale of Cotton Lint & Seeds	1,000	-		
Sale of Crown Land	-	3,083,083		
Other Commercial Operations	930,044	1,206,214		
Sundry Revenue - Radio	65,470	86,709		
Sundry Revenue - TV	784,246	988,069		
Sale of Aggregate	10,327	4,836		
Sale of Stones	53,078	96,366		
Sale of Marl	11,839	4,652		
Sale of Hot Mix	759	20,635		
Sale of Boulders	4,324	4,947		
Judicial Fines	1,128,143	2,214,753		
Traffic Offence Charges	257,950	146,325		
Fines & Forfeitures	870,193	2,068,428		
Fees & Costs of Court	33,025	112,997		
Other Court Fees	33,025	112,997		
Repayments and Reimbursement Received	804,497	13,900,934		
Miscellaneous Receipts	814,970	13,892,248		
Reimbursement of debt service payments - public sector enterprises	(19,534)	-		
Repayment of loans to small farmers	9,061	8,485		
Reimbursement of messing charges	-	200		
				12

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 3: Comparative Statement of Actual Revenues for 2010 & 2011
for the year ended December 31, 2011

14-12-2012

	2011 - Actuals	2010 - Actuals	In EC\$
Receipts - Student Loan Scheme	-	1	
Local resources			
Sale of Land	153,339,111	61,234,118	
Issue of Government Securities	3,074,157	-	
Loans-Various Financial Institutions	25,525,000	-	
Retirement of Other Fixed Assets	124,411,304	10,000,000	
Sale of Investments	328,650	111,390	
External Resources			
Loan- Various Creditors	-	51,122,728	
Grants - Venezuelan Aid	42,635,130	153,220,527	
Grants - the World Bank	28,789,968	-	
Capital Receipts External	13,500,000	1,080,000	
Grants- European Development Fund	345,162	-	
Grant - Gov. of Japan	-	105,482,312	
	-	32,003,029	
	-	14,655,186	
Total Revenue Collected	764,999,577	841,085,581	

Accountant General

Accountant

Government of Antigua and Barbuda - Financial Statements - 2011		14-12-2012
Statement 4: Public Debt		
for the year ended December 31, 2011		
	In EC\$	
	2011 - Actuals	2010 - Actuals
Domestic Loans	1,071,703,576	1,036,561,078
ABIB Loans	160,054,175	165,487,396
ACB Loans	61,619,870	62,716,819
Bank of Antigua Loans	103,205,974	106,661,731
BNS Loans	23,255,722	13,382,854
Board of Education Loan	9,208,461	9,208,461
CUB Loans	51,085,686	31,131,237
ECCB Loans	115,246,875	105,846,875
Finance & Development Loans	35,366,160	37,896,438
Medical Benefits Loan	125,852,116	125,852,116
Old Securities - Bonds	12,230,400	12,230,400
Old Securities - Interest	2,541,689	2,541,689
Old Securities - T-Bills	42,294,386	33,863,000
Social Security Loan	329,742,062	329,742,062
External Loans	1,047,927,328	1,047,578,009
ABI Bond to External Creditors	35,839,342	79,706,364
Banco de Brasil Loans	61,241,119	61,241,119
British Development Division	5,984,930	6,110,184
Caribbean Development Bank	105,936,419	83,069,027
Credit Lyonnais	81,003,378	81,749,955
El Fondo De Desarrollo(FONDEN)	135,000,000	135,000,000
European Economic Community	6,068,059	6,361,467
European Investment Bank (EIB)	7,070,838	8,546,505
EXIM Bank of USA	68,931,355	70,150,628
Export-Import Bank of China	135,100,323	136,862,032
Global Bank of Commerce	4,105,057	4,234,152
Government of Trinidad and Tob	5,700,000	5,700,000
IHI Debt Settlement Company	85,434,552	86,432,417

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 4: Public Debt

14-12-2012

for the year ended December 31, 2011

	2011 - Actuals	2010 - Actuals
	In EC\$	
IMF Standby Facility	108,826,160	80,036,192
Kuwaiti Fund for Arab Economic	63,756,915	63,756,915
Motorola Inc.	-	135,757
OPEC Fund for International De	1,853,119	2,306,719
Peoples Republic of China	20,976,511	20,976,511
Phillips Export B.V.	18,304,826	18,407,641
Standford Financial Group Ltd.	96,794,425	96,794,425
Total Public Debt	2,119,630,904	2,084,139,088

Accountant General

Accountant

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 5: Special Funds/ Special Accounts
for the year ended December 31, 2011

14-12-2012

In EC \$

	2011 - Actuals	2010 - Actuals	Note
Special Funds	1,222,567	1,146,490	A
Licensed Banks Statutory Deposits	76,077		
Reserve A/C Financial Institutions	439,460	439,460	
Statutory Deposits – Insurance Companies	707,030	707,030	
Special Accounts	20,722	7,983	
Antigua Surplus Fund	574	-	
Crown Agents - JCF	20,148	7,983	
Total Special Funds/ Special Accounts	1,243,288	1,154,473	

A. Special Funds/ Special Accounts Opening Balances to be adjusted on the completion of the 2009 Financial Statements


Accountant General


Accountant

Government of Antigua and Barbuda - Financial Statements - 2011		14-12-2012
Statement 6: Deposit Funds		
for the year ended December 31, 2011		In EC \$
	2011 - Actuals	2010 - Actuals Note
Deposit – Other Deductions from Salary	412,846	166,908 A
Deposit - Deductions from Police Salaries in Civil Matters	7,146	5,071
Deposit - Defence Force Canteen	42,176	41,676
Deposit - Home Allotment	272,985	(5)
Deposit – Police canteen account	87,942	88,487
Deposit – Police Sports Fund	65	9
Deposit – Police Welfare Association	(1,023)	28,630
Deposit – Prison Sports Fund	3,555	3,040
Deposit - Statutory Bodies	7,516,949	(1,483,574)
Deposit - Antigua Public Utilities Authority	79,988	-
Deposit - Education Levy	2,444,095	(242,002)
Deposit - Free Trade and Processing Zone	24,438	-
Deposit – West Indies Oil Company	-	2,000,000
Deposit - Housing Executive Officer	17,987	7,986
Deposit - Medical Benefit	(94,962)	-
Deposit - Medical Benefit Employees Contribution	(7,001,880)	(10,568,165)
Deposit - Medical Benefit Employers Contribution	10,166,175	6,070,592
Deposit - Social Security Employee Contribution	(11,097,330)	(4,323,821)
Deposit - Social Security Employers Contribution	12,876,580	5,571,837
Deposit - Airport Authority	101,858	-
Deposit - Departmental Account	(3,300,584)	(1,039,146)
Deposit – Departmental Account	(800)	-
Deposit - Magistrate	(315,841)	(230,551)
Deposit – Postmaster General	(3,110,465)	(1,063,667)
Deposit – Registrar of Courts	112,872	241,872
Deposit – Retiring Officer	13,650	13,200

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 6: Deposit Funds
for the year ended December 31, 2011

14-12-2012

	2011 - Actuals	2010 - Actuals
<i>In EC\$</i>		
Deposit - Local Government		
Net Salary Pending Distribution	430,781	371,822
	430,781	371,822
Deposit - Other		
Deposit - Auctioneer Bonds	1,683,142	871,236
Deposit - Surety for Bail	8,180	8,180
Cheques issued before 2009	1,277,224	863,056
	397,738	-
Deposit - Insurance & Banks		
Deposit - American Life Insurance Co.,	851,571	256,329
Deposit - Antigua and Barbuda Investment Bank	(681)	(912)
Deposit - Antigua and Barbuda Development Bank	348	-
Deposit - Barbados Mutual Life Insurance	559	1
Deposit - British American Life Insurance	0	-
Deposit - Colonial Life Insurance	13,784	17,885
Deposit - Finance and Development Limited	(595)	(705)
Deposit - Life of Barbados insurance Limited	2,374	2,374
Deposit - Police Credit Union	4,485	789
Deposit - State Insurance	847,394	12,942
Deposit - St. John's Credit Union	1,191	777
Deposit - Teachers Credit union	3,581	6,277
Deposit - Sagcor Insurance	(17,143)	220,117
	(3,725)	(3,218)
Deposit - Unions		
Deposit - Antigua and Barbuda Nurses Association	232,377	259,832
Deposit - Antigua and Barbuda Public Service Association	2,123	2,718
Deposit - Antigua and Barbuda Union of Teachers	49,798	19,904
Deposit - Antigua Trades and Labour Union	(28,204)	3,362
Deposit - Antigua Workers Union	254,076	230,905
Deposit - Civil Service Association (ABPSA)	4,430	2,943
	(49,846)	-

Government of Antigua and Barbuda - Financial Statements - 2011			14-12-2012
Statement 6: Deposit Funds			
for the year ended December 31, 2011			In EC \$
	2011 - Actuals	2010 - Actuals	
Total Deposit Funds	7,827,081	(596,593)	

A. Deposit Funds Opening Balances to be adjusted on the completion of the 2009 Financial Statements


Accountant General


Accountant

Government of Antigua and Barbuda
Financial Statements 2011
Loan Guarantees
State Owned Enterprises (SOE)

LENDER	DATE	BENEFICIARY	Amount	Currency	Equivalent XCD	Guarantee as at 31/12/2010	Guarantee as at 31/12/2011	PURPOSE
Public Corp. Overdraft	N/A	Various	N/A	XCD	XCD	14,046,863	9,398,034	
RBT		AP/VA		XCD		5,750,602	4,914,039	
Antigua Commercial Bank	6/10/2005	Antigua Tramp Board	21,000,000	XCD	21,000,000	23,095,336	29,561,219	Upgrade of Transportation Support System
Antigua Commercial Bank		Board of Education		XCD		3,949,358	2,484,791	
Antigua Commercial Bank		AP/VA		XCD		8,924,332	8,534,156	
Antigua Commercial Bank				XCD		-	196,890	
Antigua Commercial Bank	14-09-2007	Antigua Port Group	40,000,000	XCD	40,000,000	38,111,752	37,222,893	Improvements of port facilities
Caribbean Union Bank	20-01-2009	Antigua Port Authority	11,500,000	XCD	11,500,000	-	10,852,264	Purchase of property from Core Enterprises
ECAB		Mount St John Medical Center		XCD		13,618,937	13,371,484	
ECAB		Mount St John Medical Center		XCD		20,160,837	19,780,853	
ECAB		National Park Authority		XCD		45,178,419	44,355,783	
ECAB				XCD		253,009	135,227	
ABIB		AP/VA	4,100,000	XCD	4,100,000	780,883	665,084	Accommodation for the PCS Network
ABIB		AP/VA	8,800,000	XCD	8,800,000	1,960,676	278,465	Upgrading of the PCS network
ABIB		AP/VA		XCD		4,791,519	4,147,716	
ABIB		St. John's Development Corp.	13,862,763	XCD	13,862,763	2,005,088	1,500,665	Refinancing of existing loan
ABIB	8/1/2010	AP/VA		XCD		2,879,197	14,297,605	
Total Domestic						199,370,571	287,662,958	
Exim Bank of China	12/12/2007	AP/VA	60,000,000	BAWY		897,654	2,664,659	608V Transmission Improvement project
Caribbean Development Bank		ABIO		USD		2,618,591	2,637,856	
Caribbean Development Bank						1,030,211	921,768	
Caribbean Development Bank		Board of Education				7,251,753	6,501,086	
Caribbean Development Bank		Board of Education				1,532,380	1,305,729	
Caribbean Development Bank		Board of Education				1,411,474	1,297,040	
Caribbean Development Bank		Board of Education				8,927,001	5,729,989	
European Investment Bank	21-06-91	ABIO	213,500	Euro	842,312	284,205	270,342	Consolidation of APD Bonds
Royal Merchant Bank		Antigua Port Group	25,368,430	USD	68,494,733	67,500,000	-	
Royal Merchant Bank	12/2/2005	AP/VA	16,500,000	USD	44,550,000	-	33,627,244	
Banco de Desarrollo (Banco)	1/1/2008	CH/PA	10,000,000	USD	27,000,000	14,275,664	33,660,542	Construction of Residential Community North Sound
Abdala Guzman		Antigua Airport Authority				89,910,000	89,910,000	
Total Foreign						195,658,932	182,576,854	
Grand Total						395,029,503	470,239,812	

Only the Minister of MFEPA is authorized to sign loan guarantees for the Central Government (Ministries).

Accountant General

Accountant

Government of Antigua and Barbuda - Financial Statements - 2011
Statement 7: of Advances
for the year ended December 31, 2011

14-12-2012

In EC \$

	2011 - Actuals	2010 - Actuals	Note
Advances - Other Governments	246,323	155,093	A
Advance - Anguilla	2,100	1,050	
Advance - Barbados	51,512	51,512	
Advance - Dominica	7,140	3,570	
Advance - Grenada	(24,414)	(24,414)	
Advance - Montserrat	58,183	35,819	
Advance - St Kitts	118,641	80,555	
Advance - St. Vincent	7,140	3,570	
Advance - Trinidad & Tobago	(20,425)	(20,425)	
Advance - British Virgin Island	38,568	19,549	
Advance St Lucia	7,877	4,307	
Advances - Personal	1,248,934	1,255,674	
Advances - Personal - Domestic	317,308	912,586	
Advances - Personal - Medical	679,658	253,718	
Advances - Personal - Vehicles	251,969	89,370	
Advances - Departmental	6,144	6,144	
Treasury Fund	6,144	6,144	
Advances - Undefined	43,605,887	-	
Advances - ABIB Bank	43,605,887	-	
Imprest - Departmental	450,850	230,850	
Departmental	230,850	230,850	
PS PRIME MINISTERS	(80,000)	-	
PS TOURISM	300,000	-	
Total Advances	45,551,994	1,641,617	

Note

A. Advances Opening Balances to be adjusted on the completion of the 2009 Financial Statements


Accountant General


Accountant

Foreign currency transactions are converted to Eastern Caribbean dollars by using the exchange rate prevailing at the date of the transaction.

2. Cash

Cash comprises cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents consist of balances with banks and investments in short-term money market instruments. Cash included in the statement of cash receipts and payments comprise the following amounts:

	2011	2010
Cash on hand and balances with banks	(94,257,958.00)	(55,965,066.00)
Short-term investments	41,197,112.00	21,250,798.00

Included in the amount stated above is drawdown amount received (US\$10,662,951.00) from the International Monetary Fund.

3. Borrowings

Borrowings comprise cash inflows from banks, similar lending agencies, and commercial institutions and amounts owing in respect of non-cash assistance provided by third parties.

4. Other Receipts

Included in other receipts are fees, fines, penalties and miscellaneous receipts.

5. Other Payments/Expenditure

Included in other payments are dividends, distributions paid, legal settlements of lawsuits and miscellaneous payments.

6. Payables

Payables represent obligations incurred prior to the reporting period but not yet paid.

Payables 2011: \$89,679,259

This figure represents 2009, 2010, and 2011 payables. It includes an adjustment for 2009 payables which were not reported in 2010 statements.

7. Authorization Date

The financial statement was authorized for presentation on 14 December 2012 by Dr Cleopatra Gittens, Accountant General, Government of Antigua and Barbuda.

8. Original and Final Approved Budget and Comparison of Actual and Budget Amounts

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from 1 January 2011 to 31 December 2011) as for the financial statements.

9. External Assistance

The Government received external assistance over the period in the form of draw downs on concessionary loans issued in 2010 and grants. External assistance received is listed below:

IMF Standby Agreement 2nd draw-downs totaling: EC\$28,789,968
CDB Policy Based Loan draw-downs totaling: EC\$27,000,000

Payments by Third Parties

All payments made by third parties are made by third parties which are not part of the economic entity.

External Assistance

External assistance was received in the form of loans and grants from multilateral and bilateral donor agencies under agreements specifying the purposes for which the assistance will be utilized. The following amounts are presented in Eastern Caribbean Dollars.

	Loans	Grants	Loans	Grants
	2011	2011	2010	2010
Closing balance in reporting currency	2,119,630,904.00	42,635,130.00	2,084,003,330.00	153,220,527.00

10. Opening Balances

The January 1st, 2011 opening book balances are as per the reconciled closing balance as at December 31, 2010. Balances included undrawn cheques for the years prior including 2010.

Accounts for 2008 to 2009 are being worked on. Any adjustments that may arise as a result of elements not captured in the 2011 accounts will be made in the accounts of subsequent years.


Accountant General


Accountant

Government of Antigua and Barbuda - Financial Statements - 2011
Appendix 1 - Expenditures by Detailed Economic Classification
for the year ended December 31, 2011

12/14/2012

	2011 - Original Budget	2011 - Revised Budget	2011 - Actuals	<i>In EC \$</i> 2010 - Actuals
Personnel Direct				
Personal Emoluments-Est. Staff				
Overtime	133,054,398	135,816,265	131,059,899	133,685,564
Personal Emoluments-Non-Est.				
Arrears of Salaries	105,917,347	109,176,116	101,872,452	104,014,111
Personnel Indirect				
Allowance & Benefits-Est. Staf				
Travelling Allowance	18,353,942	18,975,267	16,581,888	16,241,996
Allowance & Benefits-Non-Est.				
Acting Allowance	12,372,126	13,363,597	12,005,623	10,583,335
Employer Contrib.-Estab. Staff				
Medical Benefits Contributions	11,330,571	11,330,571	10,080,054	12,677,415
Employer Contrib.-Non-Estabilis				
Medical Benefits Contributions	9,290,967	9,290,967	8,319,754	1,963,365
Other Personnel Costs				
Uniform Allowance	5,609,257	5,602,174	4,702,774	3,343,895
Travel				
Travel Expenses				
Deportation Travel Expenses	2,765,443	3,396,058	2,995,471	3,260,032
Material & Supplies				
Food and Beverages				
Food, water and refreshments	4,964,768	5,359,768	4,084,732	4,258,429
Vehicle Supplies				
Fuel and Oil	3,210,811	3,278,265	2,730,689	2,933,023
Printed Materials & Pub. Expe.				
Printing Materials & Supplies	847,430	729,137	226,788	215,680
Health, Medical & Lab. Supplies				
Protective Clothing	2,608,543	2,420,228	606,869	771,542
Office, Comp. Supplies & Equip.				
Office Supplies	4,258,020	4,919,062	2,996,211	3,237,547
Agricultural related supplies				

Production Expenses				
Miscellaneous Mater. and Supp.	539,729	444,819	272,085	519,938
Spare Parts				
Official Documents and Consum.	1,180,553	1,116,527	654,411	522,950
Passports				
Services	548,058	847,058	541,266	526,045
Public Aware. & Promotion Exp.				
Advertising & Promotion Costs				
Security Related Expenses	14,462,871	14,172,896	11,016,249	6,236,893
Investigative Expenses				
Insurance	3,247,934	6,171,262	5,707,777	5,345,065
Insurance - n.e.c.				
IT Services and Supplies	4,180,101	3,959,570	1,314,392	1,258,247
Computer Software upgrade cost				
Sanitation Expenses	1,457,105	1,410,632	289,541	953,828
Household Sundries				
Transportation and Mail Servi.	19,829,767	29,474,589	28,257,497	25,963,250
Ground Transportation Services				
Education, Training & Develop.	1,008,157	852,157	272,247	252,810
Training Costs				
Utilities	2,612,503	2,300,585	1,000,633	1,111,515
Telephone Cost				
Contributions & Subscriptions	6,644,652	6,608,177	6,504,812	9,116,339
Contr. & Subs. to Comm. Agenc.				
Professional & Consulting Serv	11,151,587	9,838,155	4,527,549	5,155,864
Commitment Fees				
Rents and Leases	7,443,938	7,573,156	5,683,559	9,579,492
Rental or Lease - n.e.c.				
Social Services	31,103,746	32,448,793	27,535,432	34,509,968
Maternal and Child Health cost				
Miscellaneous Expenses	45,000	19,000	2,400	2,000
Research & Development Costs				
Miscellaneous Reimbursements	2,458,498	2,459,230	2,121,219	9,380,895
Refund of Revenue				
Repairs & Maintenance	1,273,733	1,273,733	184,056	76,646
Repairs & Maint. Build.&Ground				
Maintenance of Buildings				
Repairs & Maintenance Vehicles	3,304,361	3,759,422	3,075,715	6,214,237
Rep. & M'tnce veh., bus, truck				
Repairs & Maintenance Miscell.	1,256,530	1,333,170	1,116,359	1,155,608
Other Repairs & M'tnce Costs				
	1,084,798	986,299	609,869	1,254,503

	Advances				
	Bank Advances - Public Officer				
	Vehicle Advance	125,000	125,000	106,222	187,716
	Transfers & Grants				
	Gratuities				
	Compensation & Indemnities	38,828,649	38,575,549	17,306,867	19,829,672
	Pensions				
	Civil Pension	30,055,819	30,042,819	44,957,593	44,080,941
	Transfers and Grants				
	Grants to Organisations & Inst	96,646,221	104,929,827	94,929,669	102,029,683
	Debt Service - Domestic				
	Debt Service - Domestic				
	Principal Repayments	119,165,396	119,165,396	141,137,813	131,365,474
	Debt Service - External				
	Debt Service - External				
	Principal Repayments	69,085,964	69,085,964	68,269,995	49,981,678
1000	GCF Domestic - Recurrent	<u>783,324,293</u>	<u>812,631,259</u>	<u>765,658,432</u>	<u>763,797,191</u>
	Purchase of Assets				
	Purch. of Vehicl.& Mar. Vessel				
	Purchase Heavy Vehicular Equip	306,835	106,835		
	Purch. of Office Equip., Compu.				
	Purchase of Office Equipment	3,301,000	4,262,812	2,536,462	925,158
	A/C, Generators & Oth. Equip.				
	Purchase of Test Equipment	2,605,048	3,098,048	1,538,337	1,435,951
	Supplies & Spare Parts				
	Purchase of Spares for Equip.	1,300,000	1,400,000	1,190,286	1,114,849
	Purc. Real Prop. & Real Estate				
	Purchase of Real Property Est				
	Purchase of Assets n.e.c.	550,000	250,000	98,806	
	Development Costs				
	Project Related Costs				
	Contractors' Costs	13,637,250	14,563,754	9,064,110	14,295,943
1020	GCF Domestic - Capital	<u>21,700,133</u>	<u>23,681,449</u>	<u>14,428,001</u>	<u>17,771,901</u>
	Development Costs				
	Project Related Costs				
	Contractors' Costs	19,367,181	19,367,181		14,655,186

3090	Government of Japan	<u>19,367,181</u>	<u>19,367,181</u>	<u>14,655,186</u>
	Grand Total	<u>824,391,607</u>	<u>855,679,888</u>	<u>780,086,434</u>
				<u>796,224,278</u>


Accountant General


Accountant

Government of Antigua and Barbuda - Financial Statements -2011
Appendix 2 - Expenditure by Ministry/Department
for the year ended December 31, 2011

12/14/2012

	2011- Original Budget	2011- Revised Budget	2011- Actuals	In EC \$ 2010- Actuals
GCF Domestic - Recurrent				
Office of the Governor General				
Govenor General's Office	978,816	1,023,421	958,778	1,011,574
Legislature				
House of Representatives	1,628,792	1,751,415	1,635,198	1,517,840
Senate	487,536	487,536	434,806	486,153
Cabinet				
Cabinet	2,416,956	2,380,393	2,368,465	2,359,189
Cabinet Secretariat	534,557	582,052	468,952	409,070
Judicial				
Judicial	2,858,105	2,858,105	1,223,979	1,560,467
Services Commission				
Public Service Commission	406,845	397,745	400,979	385,464
Police Service Commission	146,423	146,423	138,838	134,468
Public Service Board of Appeal	91,248	92,402	92,182	95,803
Audit				
Auditor General's Department	1,179,816	1,179,816	986,788	886,629
Pensions and Gratuities				
Pensions and Gratuities	44,851,459	44,349,292	52,881,509	55,780,748
Public Debt				
Public Debt	188,251,360	188,251,360	209,407,809	181,347,152
Electoral Commission				
Electoral Commission	3,413,175	3,408,175	3,275,442	3,007,268
Prime Minister's Ministry				
Prime Minister's Office	5,112,531	5,539,531	4,387,532	4,413,830
External/Foreign Affairs	4,923,019	4,853,019	3,000,823	3,790,835

Information and Broadcasting	6,567,088	6,571,088	5,898,884	5,861,390
Barbuda Administrative And General Services	361,414	361,367	335,127	319,880
Overseas Diplomatic and Consular Section	13,500,000	13,500,000	11,895,151	9,226,542
Information Technology Centre	6,047,841	6,047,841	3,659,853	4,935,941
Telecommunications Division	1,358,864	1,382,305	1,039,590	1,048,632
Finance, the Economy & Public Administration				
Ministry Headquarters	52,352,695	55,724,455	37,572,337	43,946,458
Treasury	23,110,412	23,586,683	21,219,488	25,943,041
Inland Revenue	7,588,784	8,139,848	4,862,929	4,547,857
Post Office	5,553,165	5,488,165	4,200,603	4,340,844
Customs and Excise	6,985,958	7,085,024	7,935,879	7,600,913
Industry and Commerce	228,497	225,997	96,400	236,416
Economic Policy & Planning	920,303	932,101	610,077	817,924
Statistics Division	3,072,135	3,063,495	2,486,363	894,850
Trade & Economic Development	1,404,717	1,415,025	1,105,625	1,363,478
Bureau of Standards	508,203	508,203	352,399	165,402
Cooperatives	372,977	438,697	370,193	368,143
Social Security	185,332	185,332	125,292	93,969
Establishment Division	4,282,123	4,525,135	3,584,497	3,712,148
Training Division	452,920	452,920	400,843	427,588
Ministry of Agriculture, Lands, Marine Resources				
Agriculture Headquarters	3,460,252	3,306,080	2,815,806	3,541,058
Agriculture Division	6,006,221	5,891,388	3,948,827	5,261,247
Veterinary & Animal Husbandry	2,123,625	2,081,125	1,595,829	1,734,813
Fisheries Division	1,349,191	1,350,750	1,138,935	1,142,806
Cotton Division	417,102	456,935	432,185	373,725
Lands Division	565,506	565,506	429,053	380,301
Agricultur. Extension Division	1,984,343	1,984,343	1,218,912	1,174,928
Chemistry and Food Technology Division	578,333	578,333	432,069	394,264
Surveys Division	975,407	975,407	911,394	941,537
Environment Division	970,735	987,835	648,564	1,613,251
Development Control Authority	548,468	548,372	448,534	457,690
Ministry of Health and Social Transformation				
Health HQ	44,337,081	44,363,048	42,183,619	41,632,247
Medical General Division	8,242,651	9,260,651	9,074,865	10,191,972
Central Board of Health	26,241,505	36,171,980	35,037,536	33,156,333
Mental Hospital	4,365,105	4,618,717	4,415,358	4,556,827

Fiennes Institute	3,073,552	3,073,552	2,636,657	2,812,245
Health Information Division	544,282	544,282	345,380	351,498
School of Nursing	872,195	872,195	802,277	820,321
AIDS Secretariat	763,381	759,381	492,446	518,197
Social Transformation	1,271,658	1,255,076	1,143,916	1,135,345
Board of Guardians	1,489,040	1,579,040	1,323,102	1,291,731
Community Development	446,071	458,241	328,282	306,605
Substance Abuse Prevention Division	297,902	297,902	231,712	247,147
Citizen's Welfare	3,035,788	3,053,300	2,786,448	2,962,975
NODS	702,847	702,847	431,657	638,542
Prices & Consumer Affairs	697,944	718,444	628,710	616,933
Ministry of Education, Sports and Youth Affairs				
Education Headquarters	8,269,323	10,411,173	7,307,717	7,604,925
Administration Unit	4,378,903	4,405,903	4,112,509	3,967,447
Primary Education Division	19,215,903	19,588,095	19,665,955	20,219,855
Secondary Education Division	24,850,424	25,584,874	25,246,790	25,252,428
State College	3,307,670	3,964,858	3,973,138	4,128,376
Public Library	977,005	977,005	723,702	734,749
Antigua Archives	327,996	333,300	262,391	244,462
ABICE	1,499,941	1,512,541	1,872,035	1,749,796
Boys' Training School	705,475	728,624	709,764	694,203
Youth Affairs	371,083	371,083	329,574	334,092
Sports	4,966,241	5,079,293	4,568,178	5,179,061
School Meals Services	6,452,107	6,452,107	5,162,371	4,888,333
Local Government	466,114	466,114	371,013	364,460
Gender Affairs	598,421	598,421	580,812	564,433
Ministry of Public Works				
Ministry Headquarters Public Works and Utilities	7,668,554	7,648,554	6,433,018	6,693,342
Works Division	50,460,736	54,267,188	47,415,874	58,434,813
Design and Control Division	583,812	576,812	479,216	458,104
Equipment Maintenance and Funding Scheme	4,133,692	4,215,693	3,838,508	4,092,589
Attorney General's Office and Ministry of Legal Affairs				
Legal Affairs Headquarters	4,128,373	5,559,781	4,899,303	5,858,766
Office of the D.P.P	913,815	913,815	773,712	775,069
Printing Office	1,855,106	2,084,518	1,935,249	1,610,776
Land Registry Division	604,053	604,054	557,979	596,968
Industrial Court	622,283	628,283	542,394	370,133

Registrar and Provost Marshall	1,463,908	1,527,908	1,326,748	1,320,863
Magistrates	1,340,463	1,340,463	1,033,828	1,166,932
Legal Aide Advice Centre	425,395	425,395	306,091	298,093
Registry of Intellectual Property & Commerce	756,099	756,099	478,610	422,933
Office of the Ombudsman				
Office of the Ombudsman	434,806	434,806	358,221	299,769
Ministry of National Security & Labour				
National Security HQ	2,468,766	2,216,766	1,926,805	1,259,950
Police	34,444,696	34,995,379	34,234,621	34,332,741
Police Training School	370,704	315,990	142,925	118,774
Fire Brigade	8,399,980	8,494,120	8,444,907	8,493,541
Prison	2,831,004	3,154,004	2,901,713	2,809,372
Military	15,864,243	15,860,743	12,448,140	12,670,761
Immigration Unit	7,866,687	7,857,887	6,994,575	7,114,605
Passport Division	1,027,543	1,353,543	1,153,732	970,840
Labour	2,202,513	2,202,513	2,703,173	3,195,457
Ministry of Tourism, Civil Aviation and Culture				
Tourism and Civil Aviation HQ	22,613,435	22,480,550	18,708,849	14,522,596
Antigua Tourist Office	1,294,578	1,289,578	1,106,448	953,101
Overseas Tourism Offices	2,787,508	4,871,520	3,813,833	7,496,240
Meteorological Office	2,003,805	2,000,855	1,758,312	1,782,534
V.C.Bird International Airport	4,269,516	4,543,100	4,170,489	5,664,536
Civil Aviation	11,993,045	12,381,653	11,989,779	9,785,004
Life Guard	1,084,992	1,037,877	815,972	666,257
Culture	2,529,326	2,729,326	1,783,776	2,342,670
	783,324,293	812,631,259	765,658,432	763,797,191
GCF Domestic - Capital				
Prime Minister's Ministry				
External/ Foreign Affairs	40,000	40,000	39,998	
Information Technology Center	1,000,000	1,000,000		
Telecommunications Division		300,000	266,486	
Finance, the Economy & Public Administration				
Post Office	11,000	11,000	4,104	
Bureau of Standards	291,548	291,548		
Ministry of Agriculture, Lands, Marine Resources				
Agriculture Division	235,500	235,500		
Veterinary & Animal Husbandry	125,000	125,000		15,661

Fisheries Division	500,000	500,000	31,235	
Lands Division	125,000	125,000		1,800
Ministry of Health and Social Transformation				
Medical General Division	125,000	125,000		
Mental Hospital	106,835	106,835		
Fiennes Institute	16,000	16,000		
NODS	450,000	450,000		
Ministry of Education, Sports and Youth Affairs				
Education Headquarters	4,000,000	4,000,000	1,301,461	
State College	120,000	120,000		
Ministry of Public Works				
Ministry Headquarters Public Works and Utilities	1,000,000	1,961,812	1,585,506	1,009,137
Works Division	9,455,000	9,562,000	8,283,836	13,364,283
Design and Control Division	75,000	75,000	35,093	39,782
Equipment Maintenance and Funding Scheme	1,550,000	1,693,000	834,553	409,188
Attorney General's Office and Ministry of Legal Affairs				
Printing Office	100,000	100,000		
Ministry of National Security & Labour				
Police	1,587,500	1,587,500	1,226,276	106,818
Fire Brigade	666,750	666,750	349,950	690,000
Ministry of Tourism, Civil Aviation and Culture				
Meteorological Office	120,000	120,000		
Civil Aviation		469,504	469,504	2,135,232
	21,700,133	23,681,449	14,428,001	17,771,901
Government of Japan				
Ministry of Agriculture, Lands, Marine Resources				
Fisheries Division	19,367,181	19,367,181		14,655,186
	19,367,181	19,367,181		14,655,186


Accountant General


Accountant

Government of Antigua and Barbuda - Financial Statements - 2011
Appendix 3 - Capital Projects
for the year ended December 31, 2011

12/14/2012

		2011- Original Budget	2011- Revised Budget	2011- Actuals	In EC \$ 2010- Actuals
Prime Minister's Ministry					
283690	Purchase Minor Capital Items	40,000	40,000		
410656	ICT Policy and Strategy Development		300,000	39,998	
410695	Government's Wide Area Network	1,000,000	1,000,000	266,486	
Finance, the Economy & Public Administration					
281729	Strengthening of the ABBS	291,548	291,548		
390690	Purchase of Minor Capital Item	11,000	11,000		
Ministry of Agriculture, Lands, Marine Resources					
300626	Land Development	125,000	125,000		1,800
300724	Construction of Plant Protection HQ	115,500	115,500		
301732	Upgrade of Dunbars Experimental Station	120,000	120,000		
303667	Construction Artis. Fish. Port-Barbuda	19,867,181	19,867,181	31,235	14,655,186
304720	Refurbishment of Abattoir and Meat Market	125,000	125,000		
Ministry of Health and Social Transformation					
261316	Community Health Services	125,000	125,000		15,661

262378	Psychiatric Health Care Services	106,835	106,835		
430389	Residential Care Services	16,000	16,000		
432663	Disaster Preparedness Center	450,000	450,000		
Ministry of Education, Sports and Youth Affairs					
272735	Universal Secondary Education	4,000,000	4,000,000	1,301,461	
273708	Upgrading Facilities at ASC	120,000	120,000		
Ministry of Public Works					
251630	Construction &/or Major Upgrade to Roads & Drainage	4,505,000	5,025,000	4,242,203	10,097,486
251652	Construction of Barbuda Roads	800,000	337,000	334,405	4,200
251704	Major Repairs of Quarry	1,000,000	950,000	894,586	1,205,372
253387	Repairs & Maintenance Services	1,550,000	1,693,000	834,553	409,188
253665	Upgrade Traffic Management System	550,000	550,000	485,179	135,897
255611	Construction and or Major Upgrade to Government Building	2,600,000	2,700,000	2,327,462	1,921,329
255690	Purchase - Minor Capital Items	75,000	75,000	35,093	39,782
255714	Outfitting Government Offices	1,000,000	1,961,812	1,585,506	1,009,137
Attorney General's Office and Ministry of Legal Affairs					
330375	Printing Services	100,000	100,000		
Ministry of National Security & Labour					

290337	Fire Protection Services	510,000	510,000	349,950	690,000
290352	Intelligence Gathering	87,500	87,500		
290695	Computerization of Government Offices	1,500,000	1,500,000	1,226,276	106,818
290727	Construction and/upgrade of Fire Stations	156,750	156,750		
Ministry of Tourism, Civil Aviation and Culture					
256706	Airport Development and Transportation		469,504	469,504	2,135,232
502690	Purchase of Minor Capital Item	120,000	120,000		
		41,067,314	43,048,630	14,428,001	32,427,087


Accountant General


Accountant

Government of Antigua and Barbuda - Financial Statements -2011
Appendix 4 Expenditure based on Classification of the Functions of Government
for the year ended December 31, 2011

12/14/2012

	2011- Original Budget	2011- Revised Budget	2011- Actuals	2010- Actuals
7- Total outlays				
701- General public services				
7011- Executive and legislative organs, financial and fiscal affairs, external affairs	112,551,814	113,409,629	111,425,181	119,212,004
7013- General services	93,134,444	99,284,522	81,201,230	96,734,307
7016- General public services n.e.c.2	74,983,662	79,940,690	58,691,171	65,660,198
7017- Public debt transactions	188,251,360	188,251,360	209,407,809	181,347,152
701- General public services	<u>468,921,280</u>	<u>480,886,201</u>	<u>460,725,391</u>	<u>462,953,661</u>
702- Defense				
7021- Military defense	16,970,798	16,916,084	12,573,617	13,003,788
7022- Civil defense	321,565	321,565	161,032	26,678
702- Defense	<u>17,292,363</u>	<u>17,237,649</u>	<u>12,734,649</u>	<u>13,030,466</u>
703- Public order and safety				
7031- Police services	36,689,023	37,159,206	35,601,706	37,543,616
7032- Fire protection services	11,028,147	11,136,147	8,793,603	9,327,362
7033- Law courts	10,762,408	12,582,411	9,171,565	10,383,031

7034- Prisons	2,831,004	3,154,004	2,903,346	2,834,983
7036- Public order and safety n.e.c.	13,742,081	14,151,693	11,790,087	11,045,967
703- Public order and safety	75,052,663	78,183,460	68,260,306	71,134,958
704- Economic affairs				
7041- General economic, commercial, and labor affairs	8,317,395	8385671	6,476,534	7,238,646
7042- Agriculture, forestry, fishing, and hunting	33,114,497	33129828	8,242,557	25,089,623
7044- Mining, manufacturing, and construction	720,787	720787	593,818	559,940
7045- Transport	21,688,321	22473771	20,050,810	34,719,707
7046- Communication	10,536,479	10767279	8,213,406	7,875,901
7047- Other industries	25,453,580	27323207	22,184,610	21,190,712
7048- R&D Economic affairs	738,771	751271	663,578	578,578
704- Economic affairs	100,569,830	103,551,814	66,425,313	97,253,107
705- Environmental protection				
7051- Waste management	5,669,840	5654840	5,611,839	5,648,673
7054- Protection of biodiversity and landscape	16,308,262	25174677	24,783,425	22,972,355
7055- R&D Environmental protection	19,784	19784		
7056- Environmental protection n.e.c.	566,392	558472	412,486	448,478
705- Environmental protection	22,564,278	31,407,773	30,807,750	29,069,506
706- Housing and community amenities				
7062- Community development	5,748,562	5731980.5	3,672,726	3,568,139
706- Housing and community amenities	5,748,562	5,731,981	3,672,726	3,568,139
707- Health				
7071- Medical products, appliances, and equipment	469,443	469,443	272,016	197,317

7072- Outpatient services	10,693,748	12,136,148	9,913,369	10,669,091
7073- Hospital services	7,415,276	7,616,122	7,054,912	7,443,899
7074- Public health services	45,510,090	46,588,332	45,350,396	45,258,636
7075- R&D Health	13,000	13,000	800	
7076- Health n.e.c.	442,192	470,958	134,507	
707- Health	<u>64,543,749</u>	<u>67,294,003</u>	<u>62,725,999</u>	<u>63,568,943</u>
708- Recreation, culture, and religion				
7081- Recreational and sporting services	4,718,960	4,718,960	4,254,133	4,634,184
7082- Cultural services	5,122,685	5,122,685	4,069,303	4,752,020
7083- Broadcasting and publishing services	4,216,802	4,216,802	3,839,391	4,828,726
7086- Recreation, culture, and religion n.e.c.	22,031	22,531	9,758	1,099
708- Recreation, culture, and religion	<u>14,080,478</u>	<u>14,080,978</u>	<u>12,172,584</u>	<u>14,216,030</u>
709- Education				
7091- Pre-primary and primary education	15,799,329	16,033,159	16,529,209	16,862,615
7092- Secondary education	27,663,892	28,104,292	25,123,942	23,895,556
7093- Postsecondary nontertiary education	2,372,136	2,384,736	2,674,312	2,575,540
7094- Tertiary education	2,804,212	3,437,700	3,292,890	3,341,267
7095- Education not definable by level	2,518,178	2,459,178	2,130,154	1,736,375
7096- Subsidiary services to education	11,732,821	13,910,600	11,927,261	9,930,064
7097- R&D Education	1,927,753	1,917,977	1,059,114	1,027,912
7098- Education n.e.c.	883,447	890,447	871,601	654,971
709- Education	<u>65,701,768</u>	<u>69,138,089</u>	<u>63,608,484</u>	<u>60,024,299</u>

710- Social protection

7101- Sickness and disability	638,976	638,976	621,365	518,622
7102- Old Age	15,000	105,000	25,704	102,755
7107- Social exclusion n.e.c.	366,506	401,018	351,823	662,154
7108- R&D Social protection	1,214,112	1,230,282	935,106	889,739
7109- Social protection n.e.c.	6,654,933	6,659,993	5,229,401	5,262,973
710- Social protection	8,889,527	9,035,269	7,163,400	7,436,243
Grand Total:	843,364,498	876,547,217	788,296,602	822,255,352


Accountant General


Accountant

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF ANTIGUA AND BARBUDA FOR THE YEAR ENDED DECEMBER 31, 2011

INTRODUCTION

- 1.1 This report is made to the Honourable Minister of Finance and Corporate Governance in accordance with Section 97(5) of the Constitution of Antigua and Barbuda. It does not report on the Ministerial/Divisional Accounts for the year ended December 31, 2011. The comments herein are accordingly confined to matters arising out of the Annual Financial Statements for the year ended December 31, 2011, submitted by the Accountant General.
- 1.2 The principle function and responsibilities of the Director of Audit as provided in Section 97(1) of the Constitution of Antigua and Barbuda 1981 are as follows:-
- “The Director of Audit shall –*
- a) *Satisfy himself that all monies that have been appropriated by Parliament and disbursed have been applied to the purposes to which they were so appropriated and that the expenditure conforms to the authority that governs it; and*
- b) *At least once every year audit and report on the public accounts of Antigua and Barbuda, the accounts of all officers and authorities of the Government, the accounts of all courts of law in Antigua and Barbuda (including any accounts of the Supreme Court maintained in Antigua and Barbuda), the accounts of every Commission established by this Constitution and the accounts of the Clerk to the House and the Clerk to the Senate.”*
- 1.3 The Director of Audit shall have the power to carry out audits of the accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by, or on behalf of Antigua and Barbuda.
- 1.4 The Director of Audit and any officer authorized by him shall have access to all books, records, returns, reports and other documents, which, in his opinion relate to any of the accounts referred to in sub-section (2) and (3) of this section.
- 1.5 The Director of Audit shall submit every report made by him in pursuance of this section to the Minister for the time being responsible for Finance, who shall, after receiving such report, lay it before the House not later than seven (7) days after the House next meets.

- 1.6 If the Minister fails to lay a report before the House in accordance with the provision of sub-section (5) of this section, the Director of Audit shall transmit copies of the report to the Speaker, who shall as soon as practicable, present them to the House.
- 1.7 The Director of Audit shall exercise such other functions in relation to the accounts of Government, the accounts of other authorities or bodies established by law for public purposes or the accounts of enterprises that are owned or controlled by or on behalf of Antigua and Barbuda as may be prescribed by or under any law enacted by Parliament.

2. THE NATURE AND SCOPE OF THE AUDIT

- 2.1 Neither the Constitution of Antigua and Barbuda, 1981 nor the Finance Administration Act, 2006 defines the scope of the audit examination to be carried out. Accordingly, the manner in which the audit examination is to be carried out is left to the discretion of the Director of Audit. In this respect, it has been found practicable to carry out the examinations by way of a series of test checks varying in content and depth as are considered to be appropriate in enabling him to fulfill his functions .
- 2.2 In the meantime, the Office of the Director of Audit Act, 2014 elaborates upon the Constitutional provisions of the Office and the Director of Audit. Under this enactment, the Director of Audit is enjoined to satisfy himself that:
 - a) all reasonable precautions have been taken to safeguard the collection and custody of revenue and that the law, directions and instructions relating thereto are duly observed;
 - b) expenditure is incurred with due regard to the economy and to the value obtained;
 - c) public moneys other than those appropriated are dealt with in accordance with the proper authority; and
 - d) that adequate regulations, directions or instructions exist for the guidance of any officer who is delegated the duty of accounting officer.
- 2.3 With a view to dispel certain chronic misconceptions regarding the role of the Director of Audit, I must point out that the normal audit procedures employed are designed primarily for the purpose of forming an opinion on the accounts. They are not intended to disclose each and every accounting error, nor for that matter, fraud, and the audit report cannot be regarded as a comprehensive statement of all weaknesses that exist or of all improvements that might be made. Indeed, it is primarily the responsibility of Accounting Officers (Permanent

Secretaries) and Heads of Departments/Divisions to ensure that effective systems of internal controls and safeguards are in place within their respective Ministries/Divisions so as to prevent and detect the occurrence of errors and fraud.

- 2.4 The Accountant General in her capacity as Chief Accounting Officer is required under The Finance Administration Act, 2006 Section 56 (2)(a)

“prepare the Public Accounts for the financial year in accordance with generally accepted accounting principles as determined in writing by the Minister, accounting for all public money and showing fully the financial position of Antigua and Barbuda at the end of the financial year.”

3 PUBLIC ACCOUNTS

- 3.1 The Public Accounts as outlined in the Finance Administration Act, 2006 Part IX, Section 56 (4) subsection (1) shall include:-

- a) A summary statement of revenue and expenditure of the Consolidated Fund by standard object code;*
- b) A statement of assets and liabilities;*
- c) A comparative statement of actual and estimated revenue by details object code;*
- d) A statement of each Special Fund;*
- e) A statement of the balance in each Deposit Fund;*
- f) A statement of investment showing the funds on behalf of which the investment were made;*
- g) A statement of public debt and accumulated sinking funds*
- h) A statement of the balance in any fund, other than a sinking fund, for which provision is made by or under an Act;*
- i) A statement of contingent liabilities of the Government;*
- j) A statement of balances on advance accounts from consolidated Fund and Deposit Funds analyzed under the various categories set out in section 35(1);*
- k) A statement of arrears of revenue by detailed object code;*

- l) A statement of losses of cash and stores;*
- m) The summary statements referred in section 19(1) and*
- n) Any other statements that the House may require.*

- 3.2 Section 97 (2) b of the Constitution of Antigua and Barbuda requires the Director of Audit to at least once every year to audit and report on the Public Accounts of Antigua and Barbuda, the accounts of all officers and authorities of the Government, the accounts of all Court maintained in Antigua and Barbuda (including any accounts of the Supreme Court maintained in Antigua and Barbuda), the accounts of every Commission established by this Constitution and the accounts of the Clerk to the House and the Clerk to the Senate.
- 3.3 The Director of Audit is required under Section 97 (5) of the Constitution of Antigua and Barbuda to submit every report made by him in pursuance of this section to the Minister for the time being responsible for Finance who shall, after receiving such report, lay it before the House not later than seven (7) days after the House next meets.
- 3.4 After the Public Accounts are laid before the Parliament, they are referred to the Public Accounts Committee which has the responsibility to examine and submit a report on the Public Accounts and the Director of Audit Report to the Parliament. The Accountant General, Director of Audit and Representatives of the Government are invited to attend these Public Accounts Committee meetings to provide advice, testimony and other information as requested by the Committee.
- 3.5 I have audited the 2011 Public Accounts as outlined in the Constitution of Antigua and Barbuda and the Finance Administration Act, 2006 except for the accounts of Statutory Bodies. These Bodies for the most part are audited by private firms in accordance with their enabling Acts. Appendix (H) highlights the status of Audited and Unaudited Financial Statements of Statutory Bodies for the year under review.

4 AUDIT APPROACH

- 4.1 The audit of the Annual Accounts of the Government of Antigua and Barbuda for the year ended December 31, 2011 continued to embrace the risk-based, materiality-driven approach to auditing.
- 4.2 The planning materiality was set at \$2 million dollars representing 0.3 percent of total expenditure for the year under review. The risk of the accounts containing material misstatements was rated as high based on previous years' experience. Significant issues identified from audit of the accounts of previous years were:-

- i. Supplementary Estimates required to cover appropriation over expenditure were not approved
- ii. Unauthorized bank overdraft
- iii. Bank reconciliation statements not prepared
- iv. Inability to determine the amount of revenue arrears since the required returns are not submitted by most entities

Audit Procedures

Expenditure

- 4.3 A physical check was done on a sample of expenditure vouchers generated in 2011. Sampling method involved extracting vouchers with amounts greater than or equal to the set materiality level of \$2,364,890; which represents 0.3% of the total expenditure. A comparison of the actual voucher and the Freebalance system was done to verify the accuracy of the data set out on the vouchers.

Revenue

- 4.4 A process of comparative analysis was conducted on the financial statements to verify revenue amounts obtained from the different revenue departments. This analysis of the 2011 revenue figures obtained from the generated ministries and the financial statement showed variances which are explained in our findings.

Assets and Liabilities

- 4.5 Amounts presented on the 2011 Financial Statements (Assets & Liabilities and Consolidated Statement of Revenue & Expenditures) were traced to the trial balance obtained from the Office of the Accountant General. All balances and transactions exceeding \$200,000.00 (thirty percent (30%) planning materiality) were considered for verification procedures as well. Additionally, expenditure and journal vouchers processed in period twelve (12) and thirteen (13) along with some high-risk transactions were selected for verification.

Contingent Liabilities

- 4.6 Pending and threatening litigation were partially confirmed by the Attorney General's office as at the date of this report.

Advances & Deposits

- 4.7 Advance and Deposit accounts were verified to supporting documentations and further clarifications were made where necessary.

Electronic Software – Freebalance, SIGTAS and CASE

- 4.8 Freebalance, SIGTAS and CASE are computer-based systems used by the Government of Antigua and Barbuda at the Treasury Department, the Inland Revenue Department and the Customs and Excise Department respectively. These departments utilize the electronic systems to record their daily transaction in respect to receipt from revenue, payments and warrants as well as generate data which is used in the preparation of the Public Accounts.

Reconciliation of SIGTAS and CASE

- 4.9 It cannot be overly emphasized the importance of having the transactions transferred from SIGTAS and CASE agreeing to those generated through Freebalance. This is of vital importance for the integrity and reliability of the accounts/financial statements for the Government of Antigua and Barbuda. A review of my findings of the reconciliation process has shown that there are differences between the figures from SIGTAS and Freebalance.

AUDIT FINDINGS

5. STATEMENTS OF ASSETS AND LIABILITIES

Cash in Hand – Accountant General

- 5.1 The financial statements presented by the Accountant General had Cash in hand balance of \$2,150.00 as at 31st December 2011. This in principal agreed with the information obtained from the Internal Auditor report dated 3rd January, 2012. However, \$5,456,615.32 represents revenue collected and deposited to the Royal Bank of Canada on the 31st December 2011 is outlined below:

Revenue Collection	\$99,605.06
US\$ Cash	\$23,574.00
EC Cheques.....	\$5,333,436.26
Total	\$5,456,615.32

This would therefore indicate that the actual Cash on Hand balance as stated on the financial statements for the period under review should reflect both amounts since the deposit would not have been reflected on the bank account. The amount of \$5,456,615.32 can be considered at cash in transit and reflected on the Treasury's reconciliation statements. It can therefore be concluded that the Cash in Hand does not present fairly the correct figure in the financial statements.

Bank Balances

- 5.2 The Cash at Bank was given as (\$96,462,258.00) which represents regular and savings accounts and excludes balances on the fixed deposits account, overdraft accounts and short term money market instruments. As part of the notes to the financial statement it was stated:

“..... opening book balances are as per the reconciled closing balance as at December 31, 2010. Balances included undrawn cheques for the years prior including 2010”.

- 5.3 The process once again is indicating a great reliance on the completeness of the bank statements. The historical trend of incorrect posting to government accounts is still an occurrence, therefore, I cannot rely completely on the accuracy of the bank statements.
- 5.4 ISSAI 1510 section 6 outlining the audit procedures pertaining to opening balances states:

“The auditor shall obtain sufficient appropriate audit evidence about whether the opening balances contain misstatements that materially affect the

current period's financial statements by: (Ref: Para. A1–A2)

- (a) Determining whether the prior period's closing balances have been correctly brought forward to the current period or, when appropriate, have been restated;*
- (b) Determining whether the opening balances reflect the application of appropriate accounting policies;"*

5.5 In light of the preceding paragraphs, I am unable to express an opinion based on this accounting method used by the Accountant General for the opening balances in 2010. I cannot determine if prior period's adjustments were made and appropriate reflected in the current period.

Imprest

5.6 According to the Finance and Administration Act, 2006 Part V, Division 2 section 36(1) and (2) which states:

- 1) "Subject to the regulations, the Accountant General may on the authority of an imprest warrant issued under the hand of the Minister issue imprests from the Consolidated Fund to accounting officers for the purpose of making payments of small amounts that cannot conveniently be made through the Treasury"*
- 2) "Any accounting officer to whom an imprest has been issued pursuant to subsection (1) 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, not later than that earlier date."*

5.7 As at 31st December, 2011, the Treasury Department, Ministry of Finance the Economy and Public Administration had seventeen (17) imprest accounts in the amount of \$1,824,624.00 and of this amount \$1,374,624.00 was retired during the financial year under review. There were two (2) imprest accounts who were in violation of the regulation stated in paragraph 5.6 of this report.

5.8 Unretired imprest on the government accounts gives misleading information based on the fact that unretired imprest may be fully or partially accounted for in the previous year. It is therefore recommended that all imprests be retired at the end of the financial year in order to negate any possible unusual accounting of these accounts.

- 5.9 The Accountant General must be commended on her efforts to hold Departments responsible and thereby instilling accountability and responsibility on the various Departmental Heads to ensure that the stipulations as set down in the Finance and Administration Act, 2006 are adhered too.

Savings Bank

- 5.10 The earliest available documented evidence of the existence of the St John's Saving Bank of Antigua and Barbuda is the Savings Bank Act of 1846 enacted and ordained by the Governor, Council and Assembly of Antigua to addresses the rules and regulations established for the management of the institution. The Savings Bank Act has been subsequently amended with the last amendment set out in Chapter 395 of the Laws of Antigua and Barbuda, Saving Banks Act of August 26, 1937.
- 5.11 The activities of the Saving Bank has remained the same as the previous year 2010 when it was reported that approximately ninety one percent (91%) of the accounts had an inactive status.
- 5.12 These dormant accounts have over the years, continued to gain yearly interest at the rate of 2.5%. For the year 2011 it was noted that the interest on Savings Bank was shown as \$10,828.74.
- 5.13 As was reported in my 2010 report, a sum of \$4,681,945.00 was transferred to the Government general revenue fund from investments made with Crown Agents on behalf of the Government Savings Bank. To date, this department has not been furnished with the desired documentation to support the transfer of funds in accordance with the law.
- 5.14 Having categorized the Savings Bank as non-existent, it is recommended that the required Parliamentary process be implemented so that the closure of this institution can be realized.

Accounts Payable

- 5.15 As at 31st December, 2011 the Statement of Assets and Liabilities reflected a balance of \$89,679,259 as Accounts Payable. An exercise was conducted to review the outstanding payables and it was revealed that at the end of the financial year Ministries still had commitments to suppliers.

Additionally, as at 31st December, 2011, there were an undisclosed number of cheques at the Treasury Department with a value of \$5,333,436.26. Therefore, in my opinion the Account Payable figure of \$89,679,259.00 reflected on the Statement of Assets and Liabilities is not fairly represented.

- 5.16 It is recommended that as at December 31 of every year, outstanding cheques that are not paid to customers are compiled, tallied and treated as accounts payable.

6 Statement of Revenue

- 6.1 The total Recurrent and Capital Revenue for the financial year 2011 amounted to \$764,999,577. This reflected a decrease of \$76,086,004.07 in the collection of revenue when compared to revenue of \$841,085,581.07 which was collected in 2010. From the Comparative Statement of Actual Revenues for 2010 & 2011 presented by the Accountant General it can be seen and evaluated that the performance of some individual revenue item indicated shortfalls which contributed to the reduction in the recorded revenue collection for the period under review. [see table below]

Revenue Item	Actual 2011	Actual 2010	Difference
Income Tax Companies	\$36,535,340	\$61,216,664	\$24,681,324
Entertainment Tax and Arrears	\$656,641	\$851,342	\$194,701
Stamp Duties	\$29,227,300	\$31,181,484	\$1,954,184
Consumption Tax	\$39,252,889	\$45,363,902	\$6,111,013
Other Licenses and Fees	\$331,134	\$565,597	\$234,463
Share of Profits- State Insurance Corporation	\$8,267,435	\$19,434,077	\$11,166,642
Banking & Insurance Licenses	\$724,000	\$1,026,500	\$302,500
Telecommunications licenses & fees	\$312,523	\$1,398,242	\$1,085,719
Motor Vehicle Licenses	\$1,613,860	\$3,462,245	\$1,848,386
Work Permit	\$3,780,455	\$4,260,441	\$479,986
Fees for DCA Services	\$465,178	\$620,814	\$155,636
Survey Fees	\$92,758	\$138,756	\$45,998
Fines & Forfeitures	\$870,193	\$2,068,428	\$1,198,235
Passenger Facility Charge	\$404,730	\$1,462,785	\$1,058,055
Antigua & Barbuda Sales Tax	\$189,281,183	\$175,456,499	\$13,824,684

- 6.2 For the year under review, no detailed Statement of Revenue by Ministries was presented to the Director of Audit for review. The Consolidated Statement of Revenue reflected the combined collection of Revenue under specific categories. In line with our audit approach, a variance analysis was performed on the revenue figures generated by two specific department with the amounts represented on the financial statements.
- 6.3 Based on our analysis, the following amounts represent large differences between the totals shown on the actual statement from the Treasury Department and the actual totals obtained from the Revenue Departments.

❖ Consumption Tax	\$15,805,069.99
❖ Cruise Passenger Tax	\$7,520,408.11
❖ Throughput Levy on Fuel Products	\$437,532.34
❖ Fines and Forfeitures	\$576,332.63
❖ Export Duties	\$175,917.50
❖ Taxes on Income – Companies	\$2,218,520.40

Payments are made directly to the Bank of Nova Scotia by the Inland Revenue Department in respect to Consumption tax. The difference as it relates to Cruise Passenger Tax would indicate that payments are also made into the bank account directly and is not reflected on the financial statements for 2011.

Additionally, as previously established, all amounts not reconciled with the revenue departments are placed in the Miscellaneous Receipts account.

- 6.4 Based on the information presented above, it is clear that the reported revenue amounts shown on the financial statement are understated and would therefore indicate that the total revenue figure in the Comparative Statement of Actual and Estimated Revenue is not fairly stated.

7 Statement of Expenditure

- 7.1 A comparative statement of Actual and Estimated Expenditure for the financial year was not presented for review, however, information taken from the budget estimate and the consolidated statement of revenue and expenditure for the financial year 2011 showed a recurrent budget of \$798,620,235 while the actual expenditure was \$788,296,602.
- 7.2 The estimated amount for capital expenditure for the financial year according to the budget estimate was \$49,744,263, whereas the actual capital expenditure was reported as \$14,428.00.
- 7.3 Based on our calculations, the materiality figure was set at \$2,364,890 and above for the examination of expenditure vouchers. The relevant vouchers were physically examined and compared with the information provided by the Treasury Department through its Financial System – Freebalance.
- 7.4 During the audit examination exercise, the audit team were unable to evaluate the internal controls of the Freebalance system since full viewing access of the system was not granted. This therefore contributed to the decision to set the risk assessment level and the level of reliability on the system as high. The previous year's report revealed that large percentage of vouchers were created and approved by the same officer at the Treasury Department, however, it could not be ascertained whether this practice is still ongoing.
- 7.5 Freebalance is designed to prevent one individual from creating and approving vouchers within the system that allows for a 1st and 2nd approval. This should be done by two different officers. It must be stated once more that the separation of duties is paramount for good accounting practices and enhances transparency and accountability.
- 7.6 During the examination of the vouchers for 2011, audit discovered four (4) expenditure vouchers with a value of \$2,000,000 or more. It cannot be stated that this represented a significant percentage since an extraction of the total amount of vouchers with the set materiality value and above was not presented for our examination. This therefore means that we could not ascertain the correctness of some of the figures represented.

- 7.7 It was observed that vouchers were posted under the incorrect Department Head and also vouchers were seen that were created in 2009, stamped as paid in 2011 but were not reflected in the Freebalance system. Additionally, from the sample vouchers examined we found that in respect to the description quoted, discrepancies existed in 10% of the vouchers.
- 7.8 In light of the above, I am of the opinion that the information is not fairly stated. This is evident based on the fact that of the fifteen percent (15%) transactions reviewed in Freebalance, the findings revealed that there were discrepancies with forty percent (40%) of this amount.

Supplementary Provisions

- 7.9 During the year under review there was a reported one hundred and fifty-two (152) special warrants issued in respect of supplements amounting to \$59,686,544.75. As stated in the Finance Administration Act, 2006 section 27 (a) and (b):

27 “If in respect of any financial year it is found that the amount appropriated by the appropriation Act for any purpose is insufficient or that a need has arisen for expenditure for a purpose to which no amount has been appropriated by that Act, whether or not a special warrant has been issued” –

(a) “A supplementary estimate showing the sums required shall be laid before the House; and

(b) When the supplementary estimate has been approved by the House, a supplementary appropriation Bill shall be introduced in the House providing for the issue of such sums from the Consolidated Fund and appropriating them to the purposes specified therein.”

- 7.10 Contrary to the aforementioned, no Supplementary Appropriation for Special Warrants, amounting to \$59,686,544.75; was presented to the House for approval. This amount, which was executed without parliamentary approval has a material effect on the financial statements, which therefore means that I am unable to give an opinion.
- 7.11 During 2011, a total of four hundred and fifty five (455) Virement warrants were issued to various Ministries/Departments. These warrants are used to transfer approved funds from one programme head to another within that specific Ministry or Department.

Surplus/Deficit for the Year under review

- 7.12 A review of the statements indicate that the consolidated statements of revenue and expenditure for the year ended 31st December 2011 showed a deficit of \$(23,297,025). This figure, as it is represented in the financial statement, does not present the true financial picture

of the accounts for the Government of Antigua and Barbuda, therefore the balance is not fairly represented.

8. Statements of Actual and Estimated Revenue

- 8.1 A Consolidated Statement showing the Actual and Estimated Revenue & Expenditure figures for 2010 / 2011 was prepared for the year under review. Based on this statement, it was observed that there was a general decline of 110% revenue collected from the previous financial year. Additionally, during that same period, there was also a decrease of 104% in expenditure.

9. Statement of Special Fund

- 9.1 The Statement of Special Funds/Special Account as at 31st December 2011 showed a balance of EC\$1,243,288.43. This amount represents the following:

Description	Amount
Licensed Banks Statutory Deposits	\$76,076.96
Reserve A/C Financial Institutions	\$439,460.02
Statutory Deposits – Insurance Companies	\$707,029.95
Antigua Surplus Fund	\$573.84
Crown Agents – JCF	\$20,147.66
Total	\$1,243,288.43

- 9.2 As stated in the note from the Accountant General:

“Special Funds/Special Accounts Opening Balances to be adjusted on the completion of the 2009 Financial Statements.”

- 9.3 This is clearly an indication that the Special Funds/Special Accounts consist of amounts for the financial year 2011 only and does not reflect the correct balance of the fund. In my opinion, the aforementioned total represents fairly the balance in the Special Fund/Account for the financial year 2011 and does not represent the true picture of the Fund. Therefore the statement is not fairly stated.

10 Statement of Deposit

- 10.1 As at 31st December, 2011, the Statement of Deposit reported a balance of \$7,827,081. This amount represents net flows for the financial year 2011 and did not take into account the closing balances for the financial years 2009 and 2010. It can therefore be concluded that the Statement of Deposits as at December 31, 2011 for the Government of Antigua and Barbuda does not represent a true picture of deposit balances.

- 10.2 The Finance and Administration Act, 2006, Part VI section 45(5) states:

“A Deposit Fund that is unclaimed for 5 years shall, subject to the provision of any law, cease to be a Deposit Fund and shall accrue to the Consolidated Fund, but the Minister may direct the refund of the amount of the Deposit Fund or any part of it to a person who subsequently satisfies the Minister that he is entitled to it.”

- 10.3 As at the date of this report, deposit accounts balances that have been inactive for more than five (5) years are outlined in paragraph 18.1 - table 1. These inactive balances or amounts represent un-reconciled totals by Ministries /Departments with the Accountant General. All such amounts should be placed into the consolidated fund or on the approval of the Cabinet of Antigua and Barbuda be written off.
- 10.4 In light of the present situation, I cannot express an opinion on the Statement of Deposit balances.

11. Statement of Public Debt

- 11.1 For the period under review, the Public Debt domestic and external was reported as \$2,119,630,904; an increase of \$35,491,816 from the amount given for the financial year 2010. Total Domestic stock as at December 31, 2011 amounted to \$1,300,406,446.
- 11.2 Domestic debt servicing for the year under review amounted to \$190,434,794.
- 11.3 The following table highlights the interest and principal payments made in 2011 on the Government of Antigua and Barbuda debt stock.

	Domestic Debt Stock	External Debt Stock	Total Interest and Principal Payments
Interest Payment	\$45,238,213	\$16,246,691.33	\$61,484,904.33
Principal Payment	\$145,196,581	\$23,799,951.97	\$168,996,532.97
Totals	\$190,434,794	\$40,046,643.30	\$230,481,437.30

- 11.4 During the same period ending 31st December, 2011; the external principal and interest arrears amounted to \$69,444,862.04 and \$83,022,427.89 respectively. The domestic principal and interest arrears for the period under review amounted to \$1,332,620 and \$679 respectively.
- 11.5 Based on information presented above, it was determined that the Government of Antigua and Barbuda paid \$230,481,437.30 in interest and principal payments the financial year 2011. The principal and interest arrears on the debt stock were significant and continue to create a huge indebtedness for the country. I am satisfied with the information presented in the financial statement on the Government of Antigua and Barbuda debt stocks and can reasonable state that they are fairly presented.

12. Statement of Contingent Liabilities

- 12.1 Contingent Liabilities as at December 31, 2011 was reported as \$336,330,000. The amount of \$68,667,000 comprises Domestic principle and interest amounts which were not disclosed.
- 12.2 For the financial year ended 31st December, 2011, the total Contingent Liabilities quoted above represents loan guarantees primarily to Statutory Bodies. During this period there were twenty nine (29) loan accounts guaranteed by the Government of Antigua and Barbuda on behalf of ten (10) Statutory Bodies.
- 12.3 Comparatively, the records indicate that there was a reduction in the total amount reported for 2010 and 2011 of \$58,700,000. The principal and interest payment were remarkably higher in respect of the domestic loans. This would indicate that over the years servicing of loans were not in accordance with the loan agreement thus the high level of arrears.
- 12.4 As with the previous year, the Accountant General did not submit any pending or threatened litigations against the Government for the financial year 2011. Efforts were made to obtain the required data from the Office of the Attorney General, but as at the submission of this report, only partial information was received. The information obtained from the Attorney's General office indicate that eleven (11) cases were filed in 2011 against the Government of Antigua and Barbuda. However, only six (6) of this total amounted to \$206,542.51 was presented to the Audit Department. It can be concluded that the Statement of Contingent Liabilities are not fairly presented.
- 12.5 Once again, it is recommended that for future reporting requirements, pending and threatened litigations against the Government are included in the financial statements.

13. Statement of Advances

- 13.1 As at 31st December 2011, the table below show Advances – Other Government which represents payments or receipt of Pension and Gratuity from other Governments.
- 13.2 The amounts in **Table 1** represent the balances for the financial years 2011 and 2010. This gives a clearer picture of the Government's liabilities or assets to the various countries.

Table 1

Governments	Balance as at 31. 12.2011	Balance as at 31.12.2010	Verified Balance for 2011
Anguilla	\$2,100.00	\$1,050.00	
Barbados	\$51,512.33	\$51,512.33	
British Virgin Island	\$38,568.41	\$19,549.37	
Dominica	\$7,140.00	\$3,570.00	
Grenada	(\$24,413.71)	(\$24,413.71)	
Montserrat	\$58,183.41	\$35,819.31	\$62,283.00

St Kitts	\$118,640.59	\$80,554.57
St Lucia	\$7,876.96	\$4,306.96
St Vincent	\$7,140.00	\$3,570.00
Trinidad & Tobago	(\$20,425.44)	(\$20,425.44)
Totals	\$246,322.55	\$155,093.39

- 13.3 For the period under review, the Audit Department was not provided with a reconciliation statement of these accounts in respect of pensions paid on behalf of the ten (10) countries listed above or of amounts reimbursed from any country. No confirmation letters were sent out to the various countries; therefore we were unable to verify the year end balances except for the one country as seen in the table.
- 13.4 In accordance with the Finance and Administration Act, 2006 Part V, Division 2 section 35 (1) (f) which states:
- (1) *“Subject to this section, the Accountant General may under the authority of an advance warrant issued under the hand of the Minister, from the Consolidated Fund or from money held as Deposit Funds, make advances of money-*
- (f) *“to a public officer for such purposes as may be prescribed by General Orders in an amount not exceeding 0.00135% of the recurrent revenue in the annual estimates or such amount as may be prescribed, but the aggregate of such advances in the financial year shall not exceed 0.02885% of the recurrent revenue in the annual estimates.”*
- 13.5 Government employees continue to benefit from this section of the Act in which personal loans under the following categories namely, medical treatment, funeral expenses, education expenses, purchase of vehicles and domestic expenses are granted to them. Such advances should be repaid monthly with a 1% interest charged on the reducing balance.
- 13.6 Outlined below in **Table 2** is the list of personal advances granted to public servants during the financial year ended 31st December, 2011. Advances to the approximate value of \$2,043,257.00 was reportedly issued during 2011 and interest on these personal loans at the end of the financial year was reported as \$289,958.20.

Table 2

Personal Advances	Advances Issued in 2011	Payment made on Advances during 2011	Balance as at 31.12.2011
Medical	\$692,197.00	\$679,657.66	\$12,539.34
Domestic	\$504,300.00	\$317,307.81	\$186,992.19
Vehicle	\$331,900.00	\$251,968.73	\$79,931.27
Totals	\$1,528,397.00	\$1,248,934.20	\$279,462.80

- 13.7 For the period under review, no reconciliation statement or a breakdown of the individual accounts was presented. I am therefore unable to ascertain the level of delinquent accounts and their value. Notwithstanding the foregoing information, I am reasonably assured that the statement of advances for public servants is fairly presented.

14. Statement of Investment

- 14.1 No Statement of Investment for the Government of Antigua and Barbuda was presented as at the date of this report. This is in breach of the Financial and Administration Act, 2006 Part IX Section 56 subsection 4(f).
- 14.2 The Office of the Director of Audit is cognizant of the fact that the Government of Antigua and Barbuda has investments in local and regional companies. The Government has shares in the Leeward Island Air Transport (LIAT) Limited and the West Indies Oil Company (WIOC) Limited; therefore, it is quite relevant that the 2011 annual financial statements have a material deficiency.
- 14.3 I am once again recommending that the Accountant General ensures that all Government investments be supported by the required documented evidence.

15. Statement of Losses of Cash and Stores

- 15.1 As at the date of this report, no statement of losses of cash and stores was presented as outlined in the Finance and Administration Act, 2006 Part IX Section 56 subsection 4(1). The Audit Department has recognized that over the last couple of years the Permanent Secretaries and Heads of Departments have not submitted statements of losses of cash and stores to the Accountant General.
- 15.2 From all accounts, there has been no documented evidence to indicate that the responsible Ministries/Departments are actively investigating cases with a reasonable conclusion.
- 15.3 Therefore, based on the above statement, the presentation of the 2011 public accounts are incomplete.

16. Bank Reconciliation

- 16.1 For the financial year 2011 there were thirty six (36) active bank accounts. Of this amount no reconciliation information was provided that indicates the difference between the bank and book balances for seventeen (17) of the accounts.
- 16.2 Additionally, no bank reconciliation record was provided to Audit for scrutiny for seventeen (17) of the bank accounts. These accounts reflected closing balances as at 31st December, 2011.

16.3 Based on the sample of the banks reconciliation process, it was observed that:

- ACB account showed a bank balance as per statement of \$574,235.67 at as 31/12/11, however, the reconciled book balance was given as \$1,440,685.80.
- No statement for December 2011 was seen for RBC account #292, therefore the closing balance as at December, 31, 2011 could not be verified.

16.4 It can therefore be conclude that the bank reconciliation process was not completed based entirely on our sample. This process has indicated a material effect on the financial statements; therefore an opinion cannot be given.

17. Noted To the Financial Statements

17.1 The notes presented in the Financial Statements for Antigua and Barbuda for the year ended 31st December 2011 were an improvement from the previous year. This however is not an indication that they are complete in all respect but it indicates that efforts were made to include more information.

17.2 As outlined earlier in this report, the Accountant General responsibilities include the maintenance of adequate accounting records and internal controls relevant to determine if these Public Accounts are free from material misstatements due to fraud or errors in accordance with International Financial Reporting Standards. It is also the responsibility of the Accountant General to list and outline the basis of preparation and summary of significant accounting policies of the financial statements.

17.3 More detail is still required to strengthen my reliance on the financial notes presented especially where it relates to determining the use of judgment and the interpretation /amendments used.

17.4 Based on the preceding paragraphs, it is my opinion that more in-depth notes to the 2011 Financial Statements is a necessity to guarantee my reliance on the Financial Statements presented.

18. Unauthorised Removal of Balances

18.1 As outlined in the 2010 report, the presentation of the 2005 Public Accounts by the Accountant General revealed that millions of dollars were removed from various balance sheet line items. Presented below are amounts that were removed from the accounts of the Government of Antigua and Barbuda without the required authority.

18.2 Additionally, as was previously mentioned in my 2010 report, the Audit of the 2008 Accounts revealed major differences between the balance submitted by the Accountant General and the balances calculated by the Director of Audit. These balances were omitted from the annual accounts as of January 1, 2005 and the 2008 balances are resubmitted in table 1 below.

Account	Treasury Balances 31.12.08 (\$)	Audit Balances 31.12.08 (\$)	Differences (\$)
Personal Advances	4,516,241.57	*27,520,542.50	23,004,300.93
Other Balances (Advances)	1,098,936.04	*308,929,053.55	307,830,117.51
Abnormal Balances (Advances)	(8,658,842.92)	*(20,644,825.94)	(11,985,983.02)
Dormant Balances (Advances)	Nil	*12,754,671.58	12,745,671.58
Dormant Balances (Deposits)	Nil	*13,912,082.53	13,912,082.53
Other Balances (Deposits)			
Social Security-Employee	11,495,963.08	*96,557,073.22	85,061,110.14
Social Security-Employer	25,023,509.81	*220,421,324.86	195,397,815.05
Medical Benefit – Employer	15,098,586.57	*152,873,179.28	137,774,592.71
Medical Benefit – Employee	24,975,540.02	*154,674,635.25	129,699,095.23
Education Levy	13,338,858.02	*50,541,608.11	37,202,750.09
Abnormal Balances (Deposits)	(32,557,403.57)	*(120,397,548.87)	(87,840,145.30)
Development Aid Suspense Account	921,028.35	921,028.35	Nil
Miscellaneous Suspense Account	12,762,535.00	*107,530,854.21	94,768,319.21
Development Aid (CD&W)	Nil	*1,059,889.69	1,059,889.69
Other Special Funds	7,917,253.34	*17,041,808.69	9,124,555.65
Savings Bank	(5,262.23)	*3,976,147.48	3,970,885.25
Sugar Industry Fund (L.W.F)	Nil	*(9,351.64)	(9,351.64)
Development Fund-Dormant Balances (Advances)	Nil	*52,144,175.28	52,144,175.28
Development Fund (Deposit Balances)	2,806,892.78	*300,094,358.00	302,901,250.78
Statement of Losses	971,703.98	971,703.98	Nil
Totals	88,364,382.76	1,330,330,802.30	1,306,770,131.67

* Audit balance is greater than Treasury balance.

18.3 In light of the information represented in the table above, the 2011 Annual Accounts presented by the Accountant General does not represent a fair picture of the financial position of the Government of Antigua and Barbuda. Therefore, I am unable to give an opinion because of the material effect on the statement.

19. Status of Statutory Bodies Financial Statements and Audits

Analysis of Status

19.1 The Government of Antigua and Barbuda owns or controls thirty (30) State Owned Enterprises. These Corporations or Agencies are either established by statute or by law in which the initial investment came from the Government consolidated funds.

- 19.2 In May of 2014, letters were sent to these statutory bodies requesting the submission of their last two (2) years of audited financial statements. The result of our review indicates that while several statutory bodies have current audited financial statements and must be commended, others do not. Our analysis indicates that twenty eight (28) statutory bodies were contacted:-
- Eleven (11) presented audited financial statements
 - Six (6) presented unaudited financial statements
 - Eleven (11) did not respond to the request and
 - Six (6) of the corporations presented financials that were in arrears for periods ranging from 2003 to 2010.
- 19.3 These results should be of concern to the leaders of this country since many of these statutory bodies receive sizable subventions from the government. The audited annual financial statements provide the assurance that this funding was used as intended. Additionally, up to date financial statements are required to enlighten the government of any contingent liabilities that statutory bodies have recognized and may represent potential liability to the government.
- 19.4 It is my strong recommendation that all statutory bodies take steps to bring their financial statements and audits up to date by December 31, 2014. Additionally, those bodies that did not receive favorable audit opinions should formulate an action plan to correct identified accounting and financial reporting deficiencies as quickly as possible.
- 19.5 The Government of Antigua and Barbuda is actively working towards bringing the Public Accounts up to date therefore; the statutory bodies are encouraged to do likewise. This can only be achieved when the House of Representatives and the general public hold these bodies accountable for the disclosure of their financial positions and the presentation of audited accounts.



Minute

From: Accountant General - Treasury Department
To: Director of Audit - Audit Department
Date: 4th December 2014
Ref: 1358/A.T. 1:19

Please find attached the Accountant General's responses to the Audit Report on the 2011 Financial Statements.


Accountant General

:attach.

RESPONSE TO AUDIT REPORT 2011 FINANCIAL STATEMENTS

Ref AUDIT FINDINGS – STATEMENT OF ASSETS AND LIABILITIES - Page 52 onwards

- 5.1 The Financial Statement reflects cash in hand as at 31 December 2011 while the bank reconciliations show the uncleared deposit which is represented in your report as \$5,456,615.32.
- 5.3 Your statement regarding the historical trend of inaccuracy of bank statements is acknowledged.
- 5.7 The information regarding departments that did not retire their imprests was submitted to the Financial Secretary for his action. However, your statement in 5.8 is acknowledged. The Treasury Department will continue to make its best effort to ensure that all imprests are retired by 31st December of the respective year.

SAVINGS BANK

- 5.14 The Accountant General will forward the recommendation to close the Savings Bank to the Financial Secretary for his necessary action.

ACCOUNTS PAYABLE

- 5.16 Your note recommending that the outstanding cheques that are not paid to customers be treated as accounts payable is acknowledged. The amounts will be treated as such for the 2014 statements.

STATEMENT OF REVENUE

- 6.2 The Treasury Department reports all revenues reported by the Departments to the Treasury. Any difference in amounts between what is reported on the Financial Statements and the Department's records represents cash not deposited to accounts managed by the Treasury or amounts not reported by the Department. Perhaps these amounts were reported to the Treasury in a subsequent year.

STATEMENT OF EXPENDITURE

- 7.1 The law does not require a statement of Expenditure be presented. However, the statement can be provided as an appendix if needed.
- 7.5 The practice of the same officer entering and approving transactions in FreeBalance was discontinued in 2013 when the FreeBalance system was upgraded.
- 7.8 Clarification is required on statements 7.6 to 7.8

SURPLUS/DEFICIT for the Year under review

- 7.12 As noted in the statements any necessary adjustments to the Special Funds would be presented after the completion of the 2009 accounts. These have since completed and any changes are presented in subsequent financial statements.

STATEMENT OF DEPOSIT

- 10.1 – 10.4 The respective balances were forwarded to the Financial Secretary by Minute dated 4 March 2013 for necessary action. To date the Accountant General has not received any word on the status of this request despite verbal reminders.

STATEMENT OF CONTINGENT LIABILITIES

- 12.5 The comment is noted and the information will be requested for 2014.

STATEMENT OF ADVANCES

- 13.7 The records for individual accounts are available for your department to review. These records are now in an electronic database. The necessary arrangement to view will be made on your request.

STATEMENT OF INVESTMENT

- 14.1 – 14.3 Comments are acknowledged. The necessary research is being conducted. Information gathered up to June 2014 is presented in the 2013 Financial Statements. Evidence of ownership has been difficult to obtain in most instances. However, the Treasury will continue to research the information.

STATEMENT OF LOSSES OF CASH AND STORE

- 15.1 As noted in your report, Departments continue to disregard the requirements of the law and do not submit statements of cash losses. The Treasury will do its part to encourage Departments to submit statements of cash losses

BANK RECONCILIATIONS

- 16.2 -16.4 The Treasury would not have received statements for any accounts for which reconciliations were not submitted even after several requests from banks The reconciliation for RBC 100-292-2 for December 2011 was submitted and statement provided. A copy of the statement will be forwarded.

NOTES TO THE FINANCIAL STATEMENTS:

17. It would be very helpful if the Treasury is provided with specific information on the point made that more detailed notes should be provided for the 2011. That is, please indicate in which specific areas more details is required.

UNAUTHORISED REMOVAL OF BALANCES

18. The balances removed from the face of the balance sheet were provided in an appendix to the accounts as pending approval . These balances were forwarded to the Financial Secretary for onward submission to Parliament by minute dated 4TH March 2013.

SUMMARY OF APPENDICES

APPENDIX A

TREASURY FUND

Authorities for Expenditure

- | | |
|--|---|
| 1. Provisional (Appropriation Warrant) | Issued by the Minister of Finance on the 1 st January, 2011. |
| 2. Estimates | Passed by the House of Representatives 16 th December, 2011. Passed by the Senate on the 21 st December, 2011. Assented to by the Governor General on the 6 th January, 2012 |
| 3. Appropriation Act (No. 18 of 2011) | Passed by the House of Representatives 16 th December, 2011. Passed by the Senate on the 21 st December, 2011. Assented to by the Governor General on the 6 th January, 2012 |
| 4. Appropriation Warrant | Issued by the Minister of Finance on the 6 th January, 2012 |
| 5. Supplementary Appropriation Act, 2013 | Not approved |

APPENDIX B

Unauthorized excess expenditure for the last five (5) years

Year		Amounts not covered by Supplementary Appropriation (\$)
2006	Recurrent Expenditure	53,241,215.93
2007	Recurrent Expenditure	174,108,881.07
2008	Recurrent Expenditure	198,238,936.39
2009	Recurrent Expenditure	no information given
2010	Recurrent Expenditure	64,802,691.00

APPENDIX C

DEVELOPMENT FUND

Authorities for Expenditure

- | | |
|--|---|
| 1. Provisional (Appropriation Warrant) | Issued by the Minister of Finance on the 1 st January, 2011. |
| 2. Estimates | Passed by the House of Representatives 16 th December, 2011. Passed by the Senate on the 21 st December, 2011. Assented to by the Governor General on the 6 th January, 2012 |
| 3. Appropriation Act (No. 18 of 2011) | Passed by the House of Representatives 16 th December, 2011. Passed by the Senate on the 21 st December, 2011. Assented to by the Governor General on the 6 th January, 2012 |
| 4. Appropriation Warrant | Issued by the Minister of Finance on the 6 th January, 2012 |
| 5. Supplementary Appropriation of 2013 | Not approved |

APPENDIX D

Unauthorized excess expenditure not covered by Supplementary Appropriation for the last five (5) years.

Year		Not covered by Supplementary Appropriation (\$)
2006	Development Fund	7,549,894.28
2007	Development Fund	10,245,677.31
2008	Development Fund	N/A
2009	Development Fund	No information presented
2010	Development Fund	27,592,100.00

APPENDIX E
UNAUTHORIZED RECURRENT AND CAPITAL EXPENDITURE

HEAD/SUBHEAD	GROSS EXCESS \$	TOTAL \$
01 Governor General		
390326 Custodial Services		
31001 Subsistence Allowance	5,000.00	
	10,000.00	
31002 Ticket Expenses	2,500.00	
30304 Housing Allowance	9,400.00	
30301 Duty Allowance	2,800.00	
30711 Allowance to Deputy Governor General	15,905.00	45,605.00
02 Legislature		
390366 Parliamentary Process		
30201 Salaries	69,324.00	
31601 Office Supplies	53,299.00	
	8,500.00	131,123.00
03 Cabinet		
390366 Parliamentary Process		
34406 Funeral Expenses	10,932.00	10,932.00
05 Service Commission		
390510 Ancillary Services		
30101 Salaries	1,154.00	1,154.00
10 Office of the Prime Minister & the Prime Minister's Ministry		
390510 Ancillary Services		
31001 Subsistence Allowance	150,000.00	
	50,000.00	
	20,000.00	
31002 Ticket Expenses	100,000.00	
	50,000.00	
	30,000.00	
37011 Grants to Individuals	27,000.00	
40317 Purchase of Telecommunication & Broadcasting Equipment	*300,000.00	727,000.00
15 Ministry of Finance, the Economy & Public Administration		
390510 Ancillary Services		
30713 Payment in Lieu of vacation leave	4,519.20	
37014 Grants to Municipalities	2,940,000.00	
37015 Grants to Statutory & Corporations	500,000.00	
1503 Inland Revenue / Property Tax Valuation		
900690		
40310	*170,667.00	
30201 Salaries	551,064.00	

1505 Customs & Excise 900439 Revenue Collection Services 30713 Payment in Lieu of vacation leave 31602 Computer Supplies 34501 Refund of Revenue	 102,399.00 59,066.00 40,000.00 150,000.00	
1511 Cooperatives 350498 Janitorial Services 30202 Wages	 65,720.00	
1513 Establishment Division 390344 Human Resource Management 31001 Subsistence Allowances	 209,000.00	4,792,435.20
20 Agriculture, Lands, Housing & Environment 300508 Special Event Activities 30803	 82,172.00	82,172.00
25 Ministry of Health, Social Transformation & Consumer Affairs 264460 Health Services Administration 30709 30801 Gratuities and Terminal Grants	 79,200.00 28,967.00 	
2502 Medical General Division 261316 Community Health Services 30304 Housing Allowance 30306 Travelling Allowance 30310 Allowance in lieu of Private Practice 30316	 125,000.00 60,000.00 54,000.00 382,200.00 	
2503 Central Board of Health 266501 National Beautification 33502 Garbage Disposal Costs	 1,000,000.00 6,000,000.00 2,700,000.00 300,000.00	
33503 Liquid Waste Removal Cost 33510 Pest Control Supplies 36003 Maintenance of Cemeteries	 75,000.00 40,000.00	
266410 Vector Control 30406 Travelling Allowance 30207	 271,475.00 	
2505 Mental Hospital	28,766.00	

262510 Ancillary Services	130,577.00	
30101 Salaries	45,139.00	
	25,130.00	
30201 Salaries		
30304 Housing Allowance		
2514 Board of Guardians	20,000.00	
433504 Senior Citizen's Programme	20,000.00	
31102 Food, water and refreshments	50,000.00	
31901 Construction Supplies		
2515 Community Development Division	13,600.00	
430318 Project Development		
30101		
2519 Price and Consumer Affairs	33,000.00	
390379 Public Awareness		11,842,054.00
30201 Salaries		
30 Education, Gender, Sports & Youth Affairs		
3001 Education Headquarters		
271489 School Uniform Initiative		
37009 School Uniform Initiative Grant	2,166,000.00	
3003 Primary Education Division		
271344 Human Resource Management		
30315 Other allowance and fees	74,050.00	
271472 Teaching, Training and Development		
30101 Salaries	209,680.00	
30306 Travelling Allowance	64,312.00	
3004 Secondary Education Division		
272344 Human Resource Management		
30306 Travelling Allowance	90,200.00	
30315 Other allowances and fees	203,850.00	
272472 Teaching, Training and Development		
30101 Salaries	440,400.00	
3005 State College		
273402 Tertiary Education Services		
30101 Salaries	125,188.21	
30201 Salaries	70,000.00	
	450,000.00	

3006 Public Library 274463 Library Services 33501	4,620.00	
3008 ABICE 275413 Vocational Training 37034 Expenses of Boards and Committees	12,600.00	
3009 Boys' Training School 430415 Youth Development Services 30203 Overtime 30711 School Supplies	20,000.00 9,972.00	
3010 Youth Affairs 430344 Human Resource Management 30713	8,072.00	3,948,944.21
40 Public Works and Transportation 255714 Development Fund 40201 Purchase of Office Furnishings	*961,811.62	961,811.62
4002 Public Works & Transportation 251630 Construction &/or Major Upgrade to Roads & Drains 41202 255387 Repairs and Maintenance Services 34101 Rental and lease – Office Space 255418 Security Services 33101 Security Services	9,250,000.00 7,250,000.00 4,000,000.00 6,000,000.00 1,277,252.00 2,630,000.00	30,407,252.00
55 Attorney General and Ministry of Legal Affairs 291510 Ancillary Services 33901 Contribution & Subscription to Caribbean Organizations 34009 Commitment Fees 5502 Office of the Director of Public Prosecutions 390353 Judiciary 34007 5503 Printing Office 330375 Printing Services 30101 Salaries 31601 Office Supplies 5505 Industrial Court 390348 Industrial Dispute	271,765.00 1,167,237.56 320,000.00 15,504.00 213,908.40	

30305 Entertainment Allowance	6,000.00	
5506 Registrar and Provost Marshall		
390353 Judiciary		
30103 Overtime	8,500.00	
30203 Overtime	2,000.00	
31102 Food, water and refreshments	40,000.00	
31601 Office Supplies	10,500.00	2,055,414.96
70 National Security & Labour		
390418 Security Services		
34102	457,000.00	
7002 Police		
2903658 Law Enforcement Management		
33103 Investigative Expenses	120,000.00	
33206 Insurance – n.e.c.	263,468.76	
36006 Maintenance of Building	140,000.00	
7005 Prison		
290432 Penal Reform		
30201 Salaries	98,600.00	
30401 Duty Allowance	27,600.00	
30411 Shift Allowance	13,800.00	
31102 Food, water and refreshments	90,000.00	
7009 Passport Office		
330367 Passport and Visa Services		
30101 Salaries	20,000.00	
32002 Passports	306,000.00	1,536,468.76
80 Tourism, Civil Aviation and Culture		
8004 Overseas Tourism Offices		
500405 Tourism Promotion and Marketing		
37001 Payments Overseas Offices	2,084,012.00	
8008 Civil Aviation		
256706		
41202	*469,504.00	
390510 Ancillary Services		
30801 Gratuities and Terminal Grants	722,662.00	3,276,178.00
Total		\$60,118,544.75

* Amounts issued for Development Projects

APPENDIX (F)

AUDIT OF MINISTRIES/DEPARTMENT DURING THE FINANCIAL YEAR

No.	Entity	Date of Issue	Summary
(1)	Examination of the Antigua and Barbuda Consulate of New York	19.01.11	Account well maintained, Improvement in retaining supporting receipts. Issue with passport and Visa still exits.
(2)	Examination of the Records of the Registrar and Provost Marshall for the period 1998 - 2009	26.01.11	
(3)	Examination of the records of the Ministry of Education for the School Uniform Initiative Grant 2007	26.01.11	Control procedures are satisfactory and records are kept in a satisfactory manner.
(4)	Examination of Accounts Tourism Office Italy (2009)	08.02.11	Records maintained in a satisfactory manner.
(5)	Examination of Accounts Tourism Office Italy (February 2011)	16.03.11	Closure of office. Records maintained in a satisfactory manner
(6)	Examination of the Records of the Ministry of Legal Affairs	17.03.11	
(7)	Examination of the Records of the Registrar of Intellectual Property for the period February 2006 - September 2010	03.05.11	
(8)	Examination of Cash Records for the Customs and Excise Division	04.05.11	Improvement in the area of supervision. Lower reported deficiencies observed.
(9)	Examination of Cash Records for the Property Evaluation Division 2008 - 2010	05.05.11	Weakness in the areas of cash collection and recording.
(10)	Examination of Cash Records for the Inland Revenue Department 2008 - 2010	05.05.11	Improvement in the system of cash collection & control. More effort needed to improve weak areas identified.
(11)	Public Accounts - 2005	27.05.11	Unauthorized removal of past balances
(12)	Examination of the National Festival Office for the period 2005 - 2010	24.08.11	Major deficiencies in their procedures and operation.
(13)	Examination of the Public Library for the period 2000 - 2010	26.08.11	Poor level of compliance to regulations and procedures.
(14)	Examination of the St. John's Police Station 2010	26.08.11	Accounting records were well maintained
(15)	Examination of the Records of the	20.09.11	Highlight unusual activities of

	Antigua and Barbuda Permanent Mission to the United Nation.		previous audit reports.
(16)	Examination of the Department of Culture	29.11.11	
(17)	Examination of the Accounting Records of the Tourism Office of Antigua and Barbuda New York for the period January - December 2010	12.12.11	
(18)	Examination of the Accounting Records of the Consulate General of Antigua and Barbuda, New York for the year 2010.	12.12.11	Passport fees not remitted to the Accountant General.

APPENDIX (G)

Status of Statutory Bodies, / Agencies Financial Statements and Audits as at December 31, 2013

Statutory Body	Auditor	Most recent Audited Report	Unaudited	Type of Audit Opinion ⁱ
1. Agricultural Development Corporation		31 st December, 2011		
2. Antigua and Barbuda Investment Authority	Concord Business Associates Chartered Accountants		30 th April, 2011 30 th April, 2012 30 th April, 2013	
3. Antigua and Barbuda Airport Authority		December 31, 2008		Qualified
4. Antigua and Barbuda Department of Marine Services and Merchant Shipping	Allen, Thomas & Associates	31 st December, 2012		Unqualified
5. Antigua and Barbuda Development Bank	PKF	31 st December, 2011		Qualified
6. Antigua and Barbuda Hospitality Training Institute	Concord Business Associates Chartered Accountants	31 st December, 2013		Unqualified
7. Antigua and Barbuda Medical Council				
8. Antigua and Barbuda National Parks				
9. Antigua and Barbuda Port Authority	KPMG F.A.C.T.S INC. Chartered Accountants	31 st December, 2008	31 st December, 2009 31 st December, 2010 31 st December, 2011	Qualified with exception
10. Antigua and Barbuda				

Social Security Fund				
11. Antigua and Barbuda Tourism Authority	KPMG	31 st December, 2011 31 st December, 2012		Unqualified Unqualified
12. Antigua and Barbuda Transport Board			31 st December, 2006 31 st December, 2007 31 st December, 2008 31 st December, 2009 31 st December, 2010	
13. Antigua Carnival Committee /National Festivals Office				
14. Antigua Public Utilities Authority	PKF	31 st December, 2011 31 st December, 2012		Qualified with exception Qualified with exception
15. Barbuda Council				
16. Board of Education - 1994	KPMG Concord Business Associates Chartered Accountants	31 st December, 2008 31 st December, 2009		Qualified with exception Qualified
17. Central Housing and Planning Authority				
18. Central Marketing Corporation				
19. Development Control Authority				
20. Financial Services Regulatory Commission		31 st December, 2011		
21. Free Trade Processing Zone			31 st December, 2011	
22. LIAT	PriceWaterhouse Coopers	31 st December, 2011		Annual Returns no opinion given

23. Medical Benefits Scheme				
24. Mount St .John's Medical Centre	Grant Thornton Chartered Accountants	31 st December, 2011		Qualified
25. National Solid Waste Management Authority		31 st December, 2011		
26. PDV Caribe Antigua and Barbuda Limited	Allen, Thomas & Associates	31 st August, 2011 31 st August, 2012		Unqualified Unqualified
27. St. John's Pier Group			31 st December,2003 31 st December,2004 31 st December,2005 31 st December,2006 31 st December,2007 31 st December,2008 31 st December,2009	
28. State Insurance Corporation	PKF Chartered Accountants	31 st December,2009		Qualified

ⁱ Unqualified, qualified, adverse, or disclaimer.