

Auditor General's Department Annual Audit Report

Financial year 2016/2017

REPORT OF THE AUDITOR GENERAL
ON THE FINANCIAL TRANSACTIONS
AND FINANCIAL STATEMENTS OF THE GOVERNMENT OF
JAMAICA FOR THE FINANCIAL YEAR ENDED
MARCH 31, 2017



VISION STATEMENT

*"A better country through effective audit
scrutiny"*



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ANY REPLY OR SUBSEQUENT REFERENCE
TO THIS COMMUNICATION SHOULD BE
ADDRESSED TO THE AUDITOR GENERAL
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December 27, 2017

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

Dear Sir,

Pursuant to the provision of Section 122(2) of the Jamaica Constitution, I have the honour to submit my report on the results of my examination of the accounts of the Island for the year ended 31st March 2017 for tabling in the House of Representatives.

Yours faithfully,

Pamela Monroe Ellis (Mrs.)
Auditor General

ISSUE/CONCERNS

funding of US\$40 million over a four-year period from March 12, 2014 to March 30, 2018, while GOJ will contribute approximately US \$74.133 million.

Delay in implementing Project activities

3.2.177 Up to the time of reporting, PATH had still not upgraded the Beneficiary Management Information System (BMIS) that was the subject of previous audit reports. The upgrade of the BMIS was to integrate the Beneficiary Management Information System, Steps to Work and Case Management processes to interact effectively and efficiently in the monitoring of beneficiaries.

3.2.178 PATH's failure to enhance the BMIS will prevent the Ministry from tracking the progress of beneficiaries who have been trained under the Steps to Work program for permanent employment and to facilitate the successful implementation of the Graduation Strategy.

Un-cleared Advances

3.2.179 Our review revealed that PATH did not clear advances in a timely manner to ensure that expenditure was properly brought to account. This was demonstrated by un-cleared advances at March 31, 2017 totalling JM\$211.02 million (US\$1,996,883); with ninety two per cent outstanding in excess of 12 months. Despite requests, PATH did not provide evidence to inform the audit that the goods or services were provided for the sums advanced or the reasons why the amount were not cleared. Therefore, we could not determine whether the amounts advanced were used for the intended purpose.

3.2.180 Subsequent to our report MLSS advised that an Officer was contracted effective October 1, 2017, with the responsibility for clearing the advance accounts.

Integrated Social Protection and Labour (ISPL) Programme Loan Contract No. 2889/OC-JA

3.2.181 The Integrated Social Protection and Labour (ISPL) Programme is funded by a US\$30.0 million loan from the Inter-American Development Bank (IDB) and counterpart funding provided by the Government of Jamaica. The loan of US\$30.0 million should be disbursed over a four-year period from December 13, 2012, when the agreement was signed to December 2016. A project extension to December 2017 has been granted by the IDB.

3.2.182 The objective of the Project is to support the Government of Jamaica (GOJ) efforts to improve human capital and labour market outcomes of the poor by enhancing the efficiency and effectiveness of key social protection programmes.