



Auditor General's Department
Annual Report
Financial Year 2018/2019



REPORT OF THE AUDITOR GENERAL ON THE
FINANCIAL TRANSACTIONS AND FINANCIAL
STATEMENTS OF THE GOVERNMENT OF JAMAICA FOR
THE FINANCIAL YEAR ENDED MARCH 31, 2019
AND
A PERFORMANCE REPORT OF THE
AUDITOR GENERAL'S DEPARTMENT



AUDITOR GENERAL'S DEPARTMENT
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ANY REPLY OR SUBSEQUENT REFERENCE
TO THIS COMMUNICATION SHOULD BE
ADDRESSED TO THE AUDITOR GENERAL
AND **NOT TO ANY OFFICER BY NAME**
AND THE FOLLOWING REFERENCE
QUOTED:-

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December 20, 2019

The Hon Speaker
House of Representatives
Gordon House
81 Duke Street
Kingston

Dear Sir,

Pursuant to the provision of Section 122 (2) of the Jamaican 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 2019 for tabling in the House of Representatives.

Yours faithfully,

Pamela Monroe Ellis (Mrs.)
Auditor General

Head 20056: Tax Administration Jamaica

Issue/Concern(s)

Resource Management

3.2.60 Our audit of the TAJ's accounting and financial records for the period under review disclosed the following:

Delays in reconciling bank accounts

3.2.61 Section 6.8 of the FAA Act Instructions requires the monthly reconciliation of bank accounts. However, we found that contrary to this requirement, TAJ delayed the preparation of bank reconciliation statements for the Revolving Loan Fund and Revenue Point of Sale accounts by over 15 and 5 months, respectively. We also found that TAJ did not promptly investigate reconciling items on the bank accounts as, Erroneous debits of \$4.188 billion and credits of \$1.271 billion identified at March 31, 2019, remained substantially unchanged for approximately three months. Further, despite our requests TAJ did not submit the bank reconciliation statement for the Investment account for audit scrutiny.

3.2.62 TAJ's failure to perform monthly reconciliation of its bank accounts and follow-up on discrepancies in a timely manner, increases the risks of financial losses as management will not be able to promptly identify and correct accounting and bank errors/irregularities.

3.2.63 TAJ have since reduced the Erroneous credit and debits to \$679.7M and \$43.6M respectively and have assured us that reconciliations will be up to date by January 2020.